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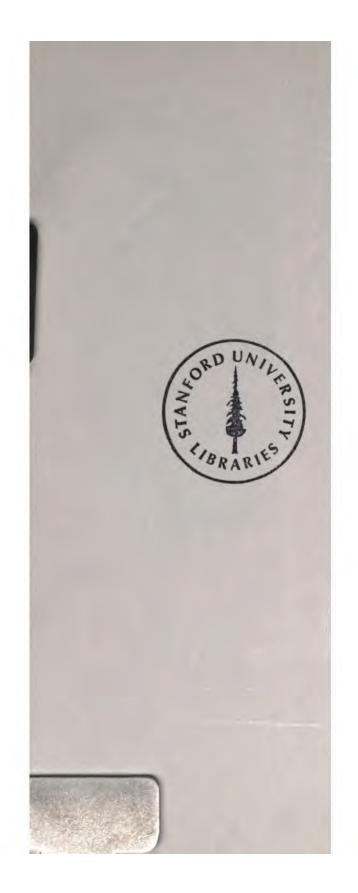
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## ANNUAL REPORT

OF THE

#### BOARD OF DIRECTORS

OF THE

## Southern Pacific Kailroad Co.

(OF CALIFORNIA,)

TO THE

#### STOCKHOLDERS.

For the Year Ending December 31st, 1881.

SAN FRANCISCO

H. S. CROSCHO & CO., STATIONERS AND PRINTERS.

IASE.

## ANNUAL REPORT

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#### BOARD OF DIRECTORS

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SAN FRANCISCO:

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1882.



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#### ANNUAL REPORT

OF THE

#### President and Board of Directors.

Office of the Southern Pacific Railroad Co., San Francisco, July 20th, 1882.

#### TO THE STOCKHOLDERS:

Your President and Board of Directors have had prepared for your Annual Meeting the accompanying report of the various departments, of the operations of the road for the year ending December 31st, 1881, as also an exhibit of the financial condition of the Company at that date.

#### EARNINGS AND EXPENSES.

The Report of the Secretary (Statement 1)		
shows the earnings of the Northern Division		
to have been	\$1,158,014	<b>7</b> 8
as compared with\$1,018,844 00		
the last preceding year, and the operating		
expenses, (with the increased business,) to		
amount to	587,125	<b>26</b>
as compared with\$571,829,98		
for the year 1880; leaving the earnings (of		
the Northern Division) over operating ex-		
penses	570,889,	<b>52</b>
The amount received for rental of leased		
road (Southern Division—in California) was	\$1,650,600	00
—making the total earnings	2,221,489	<b>52</b>
which is an increase of \$123,875 50 over the		
business of the year 1880—applicable to the		
Northern Division alone—and with the pros-		
pects of a larger increase the current year.		

#### STATEMENTS.

An exhibit of the earnings and operating expenses by months, a balance sheet, statements of profit and loss account for the year, and of the funded debt; as also a comparative statement of the business for the last four years, will be found in Statements 2 to 6, inclusive.

#### CAPITAL STOCK.

CAPITAL STOCK.	
The Capital Stock Account will be found the same a date of last report, viz:	is at
The Capital Stock authorized, is \$ 90,000	000,
The amount subscribed, is	•
The amount paid in, is	
INDEBTEDNESS.	
The debts of the Company are:	
Funded debt (as per Secretary's statement 5)\$ 28,483,000	00
Land Trust Fund	
Accounts due (see Secretary's statement 3 for	
explanation of this amount)	95
Total\$30,175,45	21
ASSETS.	
The assets of the Company consist of:	
714.10 miles' of railroad and telegraph line,	
with sidings, turn-outs, turn-tables, round-	
houses, depots, wharves, piers, etc\$ 62,321,834	l 06
Equipment for same	
Real Estate, depot grounds, etc., including an	
undivided half-interest in 60 acres land in	
Mission Bay, San Francisco	74
Shop Machinery and Tools	
Road Tools	
Materials for repairs 78,307	
<sup>7</sup> uel	
•	ŀ 10
fice and Station Furniture, Telegraph In-	l 10
lice and Station Furniture, Telegraph In- bruments etc	

Cash
Sundry accounts due the Company (see Sec-
retary's statement 3) 1,989,817 95
Land Grant from U. S. Government, 12,800
acres per mile, right of way, lands for depots,
etc., valued at upwards of \$40,000,000 00
Less, receipts on account
of sales of land to date. 1,303,546 16 38,696,453 84
• Total
ROAD.
The road in operation (within the State of California) is
as follows:
San Francisco to Tres Pinos 100.49
Huron, via Goshen to the west bank of the Colorado
River 528.56
Los Angeles via Wilmington to San Pedro 24.65
Carnadero to Soledad
714.10 LEASED LINE.
LEASED LINE.
Castroville Junction to Monterey
Total Miles
The road and equipment is in excellent condition through-
out, as are also the depot buildings and other structures.
EQUIPMENT.
There has been but a slight change in the equipment of the
road since last report.
The present rolling stock consists of:
Locomotives 48   Cars:
CARS: Platform350
Passenger
Baggage, Mail and Ex- Dump and Gravel 22
press
Box and Combination Section
Freight 564 Other 2

#### FIRST MORTGAGE BONDS.

The report of the Trustees under Mortgage of April 1st, 1875, states the redemption of First Mortgage Bonds during the year at \$389,000, at a cost of \$399,729 90, and a balance of \$306,411 26 remaining on hand on January 1st. With this balance and the further amount of \$139,258 00 received from the Land Department to the 1st inst., the Trustees have this year redeemed bonds to the further amount of \$396,000, at a cost of \$402,743 48; a balance of \$42,925 78 remaining on hand at that date.

Commencing with the current year, a sinking fund will be created for the further redemption of bonds, in accordance with the requirements of the mortgage, by setting apart the sum of \$100,000 annually of the net income of the road for this purpose.

#### TRAFFIC, ETC.

The report of the Superintendent furnishes the general information which may be sought for as to the business of the Northern Division, the details of which will be found in the subjoined reports of Passenger and Freight Departments.

The revenue from the Southern Division of the road (which is still operated under lease by the Central Pacific Railroad Co.,) is upon the same basis as last year, and appears in the earnings under the head of "Rental of Leased Roads." For the actual earnings of this section of the road, you are referred to the correspondence with the Secretary of the Central Pacific—pages 9 and 10.

The wharf accommodations in Mission Bay (this city) having been found to be too limited for the increasing business at this point, such additions to and alterations in that structure are in progress as is believed will meet the present requirements of the road.

An extension of the road has also been made from Wilmington to San Pedro, where a commodious wharf has been constructed, together with a passenger and freight depot, engine-

house, &c., which will facilitate the transfer of freight and passengers at this point, and serve to better accommodate the shipping interests and increased business of this locality.

#### GOVERNMENT LAND GRANT.

The report of the Land Agent (page 45 and following) treats fully upon the land matters of the Company, and contains the usual account of the operations of that department for the past year.

#### MOJAVE (OR 35TH PARALLEL) LINE.

In February last, work was commenced on the Mojave line, which is now under construction to the Colorado river, (to a point near "the Needles,") where, under an agreement with the Atlantic and Pacific Railroad Co., it is to meet the main line of that road now under construction from Albuquerque. The first section of forty miles from Mojave is completed and about to be accepted, and the work on the whole line will be pushed rapidly to completion by both Companies. When connection is made (which will probably be within a year from this date,) the roads will be operated as one line, via Albuquerque and the Atchison, Topeka and Santa Fe Railroad, upon terms of agreement.

#### ARIZONA, NEW MEXICO, TEXAS, ETC.

As the operations of this organization are limited to the State of California, we would refer to the progress that has been made during the past year in the construction of other connecting lines. At the date of our last report, the line via Yuma was being operated eastward over the Southern Pacific of Arizona and the Southern Pacific of New Mexico, to El Paso; at which point connection was made in January last with the Texas and Pacific Railroad to Sierra Blanca, thence over the Galveston, Harrisburg and San Antonio Railroad to Lozier—about 360 miles from El Paso—and at this date, leaves only about seventy miles to be con-

structed to the line of the western extension from San Antonio. It is expected that this gap will be closed and the roads opened for business by October next, beyond which point (as mentioned in our last report) running arrangements have been made, or the control of roads secured, which will practically place the continuous line from San Francisco to New Orleans under one management.

Connections have also been made with the Atchison, Topeka and Santa Fe Railroad, at Deming, 467 miles East of Yuma, and with the Mexican Central at El Paso, (under construction to the City of Mexico,) some 180 miles of the Chihuahua Division being in operation to Encinillas.

Junction will also soon be made at Colton with the California Southern Railroad, which is in course of construction from National City via San Diego, a distance of about 125 miles.

River connection is also made, at Yuma, with the steamers of the Colorado Steam Navigation Company for the many important points in Arizona reached via the Colorado River.

In conclusion, your Directors would express their acknowledgments of the faithfulness and efficiency of the officers and employés of the road in the discharge of their respective duties.

CHAS. F. CROCKER.

Vice-President,

(Acting as President.)

#### Southern Pacific Railroad.

#### PRESIDENT'S OFFICE.

SAN FRANCISCO, July 10th, 1882.

MR. E. H. MILLER, JR.,

Secretary Central Pacific R. R. Co.

DEAR SIR:

The Directors of this Company desire to ascertain the earnings, for the year 1881, of that portion of its road under lease to the Central Pacific. I would therefore ask you to furnish me with the desired information if you can conveniently do so; also giving me your views as to the prospective business of the road for the present year.

Respectfully yours,

CHAS. F. CROCKER,

Vice-President.

#### CENTRAL PACIFIC RAILROAD.

#### SECRETARY'S OFFICE.

SAN FRANCISCO, CAL., July 13th, 1882.

#### CHAS. F. CROCKER, Esq.,

Vice-President Southern Pacific R. R. Co.

#### DEAR SIR:

Replying to your letter of 10th inst., I have to state that, the earnings of this Company for the year 1881, on that portion of the Southern Pacific Railroad (of California) leased by this Company were:

Gross Earnings	\$ 3,183,121 06
Operating Expenses \$ 1,288,727.41	
Rental	2,939,327.41
Leaving net (profit to Central Pacific R. R. Co.)	\$ 243,793.65

"As to the prospective business of the road for the present year," the earnings will be considerably increased, and this Company expects to make a larger net profit this year, under the lease, than it did in 1881.

Yours Respectfully,

E. H. MILLER, JR.,

Secretary.

SECRETARY'S REPORT.

J. L. WILLCUTT.

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#### Southern Pacific Railroad Company.

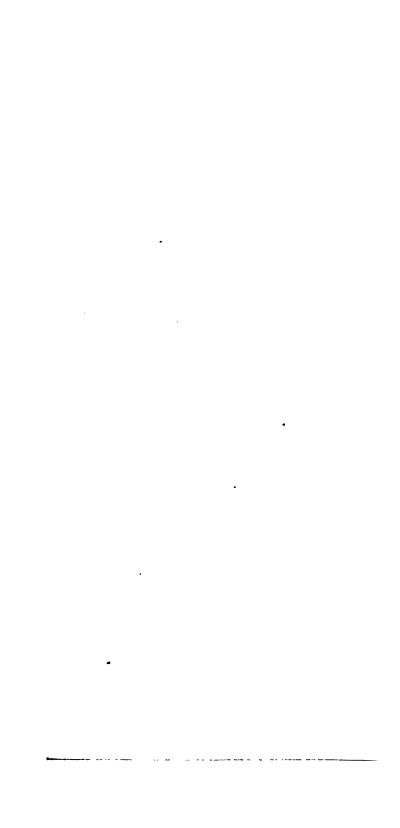
SECRETARY'S OFFICE, SAN FRANCISCO, June 20th, 1882.

CHARLES CROCKER, Esq.,
President.

SIR:

I herewith enclose Statements (numbered 1 to 6, inclusive), of the business of the road for the year ending December 31st, 1881, and of the financial condition of the Company at that date, all of which are respectfully submitted.

J. L. WILLCUTT,
Secretary.



#### SOUTHERN PACIFIC RAILROAD.

#### No. I.

### Statement of Earnings and Operating Expenses for the Year ending December 31st, 1881.

.5,353 33 78,664 02 73,086 31 144,834 26 36,422 50 8,596 90 7,212 85 9,484 32	<b>\$ 1,158,014</b> 7
.5,353 33 78,664 02 73,086 31 144,834 26 36,422 50 8,596 90 7,212 85 9,484 32	
78,664 02 73,086 31 144,834 26 36,422 50 8,596 90 7,212 85 9,484 32	
	587,125 2
	\$ 570,889 5
	519 05 1,707 90 981 51 20,400 00

J. L. WILLCUTT, Secretary.

# SOUTHERN PACIFIC RAILROAD.

## No.

Exhibit of Earnings and Operating Expenses by Months, for the Year Ending December 31st, 1881.

## EARNINGS.

[ 16

	January.	January. February.	March.	April.	Мау.	June.	July.	August.	September October.	October.	November December	December	Total.
Freight	87,796 22	27,784 19	49,266 57	39,501,65	38,344 06	46,622 44	51,975 07	85,153 30	84,617 75	71,018 70	55,947 81	40,831 54	\$ 628,868 30
Passenger	28,531 15	24,045 82	32,703 69	84,932[18	16,127 27	52,259 07	54,115 37	47,137 65	43,898 97	43,496 85	34,920 68	33,224 86	475,443 96
Express	797 78	19 002	920 14	1,023 48	1,244 94	1,162 60	1,244 62	1,269 95	1,133 40	1,167 38	1,160 13	997 30	12,822 28
Rental	977 88	982 88	982 88	88 886	982 88	982 88	955 38	88 886	460 38	1,468 38	1,066 63	963 88	11,791 31
Storage	286 85	117 23	60 10	32 76	58	54	1,164 58	1,095 71	1,115 78	1,315 06	503 34	454 40	6,101 87
Miscellaneous	\$11.30	753 57	174 02	511 17	520 05	992 40	1,217 79	365 40	16 186	778 88	423 45	562 40	7,597 40
Mail	1,033 38	1,033 38	1,033 38	1,033 38	1,033 38	1,033 38	1,033 38	1,033 38	1,033 38	1,033 38	1,033 38	1,033 38	12,400 56
Telegraph	250 00	250 00	250 00	250 00	250 00	250 00	250 00	250 00	250 00	250 00	250 00	250 00	3,000 00
TOTAL AMOUNT	70,013 56	55,667 18	85,390 78	78,273 50	38,508 41	103,363 01		111,956 19. 137,303 77 133,497 63		120,518 57	96,304 42	78,277 76	1,158,014 78

	January.	February.	March.	April.	May.	June.	July.	August.	September	October.	November	December	Total.	
Expense of Superintendents Station Service Locomotive Service Office Expense Mater Service Repairs of Tools  Water Service Repairs of Tools  "Bridges & Culvs "Engles of Mail Service "Bridges & Culvs "Fenes" "Fenes Mail Service Damages (personal) Expense of Leased Road.	459 00 6,262 11 15,8376 01 15,8376 01 3,106 19 251 64 252 18 82,281 43 1,731 69 2,138 06 2,138 06 6,435 6,435 6,435 8,437 1,731 69 1,731 69 1,731 69 2,138 16 3,37 64 3,37 64	173 90 6,787 97 10,702 82 3,026 82 235 07 400 83 383 80 383 80 384 91 15,164 01 7,464 01 7,464 01 7,464 01 7,464 01 7,464 01 7,464 01 7,664 01 7,700 00 1,700 00	455 00 6,198 95 15,008 92 2,898 92 3,898 92 3,898 92 3,898 92 3,898 92 3,988 92 1,995 78 1,795 78 1,795 54 1,795 78 1,795 78 1,79	460 75 6,046 87 11,687 44 11,687 85 2,890 45 810 40 810 2 78 9,102 78 9,102 78 9,102 78 1,831 98 1,831 98 1,133 98 1,000 00 1,700 00	5,854 55 5,854 95 5,667 44 5,161 49 5,161 49 5,84 95 8,801 96 1,003 91 1,003 91 1,100 91 1,12 48 1,12 48 1,13	465 15 6,354 35 6,956 08 12,402 13 7,447 30 1,455 62 1,075 62 1,447 30 1,447 30 1,447 30 1,447 30 1,447 30 1,447 30 1,447 30 1,447 30 1,447 30 1,447 30 1,455 17 2,555 17 2,555 17 1,650 10 1,60 10 1,	425 00 6,672 30 16,794 95 11,200 95 11,233 94 11,233 94 11,233 94 11,505 45 11,605 84 142 89 142 89 143 89 144 89 145 89	425 00 7,074 97 13,694 02 13,694 02 13,692 27 1,831 88 820 98 820 98 80 80 80 80 80 80 80 80 80 80 80 80 80	457 00 7,541 76 7,051 38 13,968 79 8,021 40 788 66 788 66 788 64 647 91 8,116 20 911,886 10 1,886 11 1,886 11 1,168 03 145 03 145 03 145 03 145 03 145 03 170 00 1,700 00	450 95 7,387 92 6,957 76 13,575 74 8,069 74 1,10 63 1,10 63 1,	429 18 6,737 19 6,737 19 6,112 60 10,112 60 3,006 87 8,31 56 8,31 56 8,31 56 125 46 7,452 87 1,72 87 1,72 87 1,73 1,73 1,100 00 1,700 00	425 00 6,737 27 10,588 28 3,088 18 342 34 342 34 342 34 342 34 342 34 342 34 342 34 342 34 342 34 366 02 5,606 02 5,606 02 5,606 02 5,74 5 1,518 35 5,606 02 5,74 5 1,74 5 1,70 00 00 00 00 00 00 00 00 00 00 00 00 0	\$ 5383 38 78,664 02 173,064 02 13,064 02 13,064 02 13,064 02 16,422 03 16,422 03 16,422 03 16,432 03 16,544 10 16,544 10 16,544 10 16,171 17 17,171 17 16,101 18 16,101 18 16,10	
Total Amount	44,562 07	42,024 56	50,797 26	49,529 92	46,206 79	50,634 48	48,516 02	52,986 63	54,125 17	54,543 86	46,304 28	46,894 22	587,125 26	
Earnings over Op'g. Exp Am't Rec'd for Leased Road	25,451 49 137,550 00	13,642 62 137,550 00	34,593 52 137,550 00	28,743 58 137,550 00	42,301 62 137,550 00	52,668 53 137,550 00	63,440 17 137,550 00	84,317 14 137,550 00	79,372 46 137,550 00	65,974 71 187,550 00	49,000 14 137,550 00	31,383 54 137,550 00	570,889 52 1,650,600 00	
Total	163,001 49	151,192 62	172,143 52	166,293 58	179,851 62	190,218 53	200,990 17	221,867 14	216,922 46	208,524 71	186,550 14	168,933 54	2,221,489 52	

J. L. WILLCUTT, Secretary.

Real Estate......

To Construction .....

Buildings, etc. Equipment

Balance Sheet of General Ledger, December 31st, 1881.

[ 18 ] 28,483,000 00 306,411 26 1,027,009 15 359,030 80 \$ 36,763,900 00 \$66,939,351 21 Accounts due to sundry parties. Central Pacific R. R. Co..... First Mortgage Bonds..... By Capital Stock...... Land Trust Fund ..... \$ 61,463,816 86 694,070 74 1,848,503 64 806,917 20 69,857 60 78,307 88 9,894 10 64,417 33 1,619,303 97 370,513 98 417,210 54 Sundry Accounts due the Company..... Cash in hands of Treasurer..... Office and Station Furniture, and Telegraph Instruments... † Central Pacific R. R. Co...... Machinery and Tools in Shops..... \$61,880 84 Material in Shops and on Road......

J. L. WILLCUTT, Secretary.

503,462 63

Profit and Loss

\$ 67,442,813 84

THE CENTRAL PACIFIC RAILROAD CO. et al., † In suspense, pending decision in the case of The County of Ean Joaquin,

\$ 67,442,813 84

# SOUTHERN PACIFIC RAILROAD.

Statement of Profit and Loss for Year Ending December 31st, 1881.

Dr.

To Balance December 31st, 1880	\$ 207,762 34	By Road Earnings (Northern Division, etc)\$1,158,014 78	
General Expense	64,545 66	Less Operating Expenses 587,125 26	
Legal Expense	14,965 46	\$ 570,889 52	
Taxes and Street Assessments	240,593 41	Lease—Southern Division—Ner 1,650,600 00	\$2,221,489 52
Interest	1,719,319 39	Earnings account Contract with W., F. & Co	234,000 00
Renewal of Track	63,260 91	Redemption of Bonds (through Sales of Lands, etc.)	339,000 00
Extraordinary Expense and other Accounts	30,579 72		
Balance December 31, 1881	503,462 63		
	\$2,844,489 52	•	\$2,844,489 52
		By Balance brought down	\$603,462 63

J. L. WILLCUTT, Secretary.

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Funded Debt, December 31st, 1881.

	REMARKS.			_		Amount Outstanding— \$ 28,483,000
INTEREST.	AMOUNT WHEN DUE RATE. WHEN PAYABLE.	Oct. 1 and Apr. 1.	20,000 Oct. 1, 1905 6% Apr. 1 and Oct. 1.	134,000 Oct. 1, 1906 6% Apr. 1 and Oct. 1.	128,000 Oct. 1, 1906 6% Apr. 1 and Oct. 1.	
I	RATE.	%9	<b>%9</b>	%9	%9	
	<b>W</b> нек Ďue.	Apl. 1, 1905	Oct. 1, 1905	Oct. 1, 1908	Oct. 1, 1906	
	AMOUNT REDEEMED.	\$ 755,000		134,000		\$ 1,037,000
BONDS.	AMOUNT ISBUED.	\$ 15,000,000	5,000,000	5,000,000	4,520,000	\$ 29,520,000 \$ 1,037,000
	AMOUNT AMOUNT AUTHORIZED. ISBUED.	\$ 15,000,000	"B" Oct. 1, 1875 5,000,000 5,000,000	5,000,000	"D" Oct. 1, 1876 5,000,000 4,520,000	
	Датв.	Apr. 1, 1875	Oct. 1, 1875	Oct. 1, 1876	Oct. 1, 1876	
.83	іяяВ	"A"	"B"	"C"	"D"	
	CHARACTER OF BONDS.	First Mortgage		" "C" Oct. 1, 1876	***	

J. L. WILLCUIT, Secretary.

#### SOUTHERN PACIFIC RAILROAD.

#### No. 6.

#### Comparative Statement of Earnings and Operating Expense for the Years 1878, 1879, 1880 and 1881.

		NOR	THERN D	ivision.				
	Year December	Ending 31st, 1878.		Ending 31st, 1879.	Year December	Ending 31st, 1880.	Year December	Ending 31st, 1881
EARNINGS.			1131					
Freight Passenger Express Rental Storage Miscellaneous Mail Telegraph Total Earnings *	477,924 94 17,515 79 8,079 35 5,723 05 20,205 54 10,175 19 3,000 00		\$ 427,992 06 411,361 14 13,320 86 10,405 33 5,506 99 6,352 51 11,388 24 3,000 00		\$541,267 10 425,212 31 12,344 50 11,121 10 8,215 02 5,312 05 12,371 92 3,000 00		\$628,858 30 475,443 06 12,822 28 11,791 31 6,101 87 7,597 40 12,400 56 3,000 00	
			1	-			1	
OPERATING EXPENSES.  Expense of Superintendents. Station Service. Train Service. Locomotive Service. Office Expense. Stationery and Printing. Advertising. Water Service. Repairs of Tools.  " Buildings.  " Engines  " Cars.  " Bridg's & Culverts Fences Miscellaneous Expense Mail Service. Loss and Damage (Property). Damages (Personal). Expense of Leased Road.	76, 357 74 65,722 61 125,728 28 34,251 37 6,677 27 4,829 97 7,064 47 4,941 09 94,282 77 6,550 87 25,381 72 25,381 1,918 39 861 46 983 41 1,348 50		5,314 17 73,071 36 66,189 50 115,597 50 34,610 81 6,014 58 5,737 15 6,591 19 4,841 02 90,417 17 10,222 54 11,756 28 23,786 03 12,019 21 1,081 21 1,081 21 1,703 62 883 87		5,392 86 79,454 03 69,437 81 128,038 92 35,649 68 8,423 69 6,379 57 8,455 32 3,899 61 100,012 40 21,190 95 42,030 43 27,669 44 1,331 48 564 41 1,331 48 96,93 812 00 20,400 00		5,353 33 78,654 02 73,056 31 144,834 6422 56 8,556 90 7, 212 85 9,454 32 8,554 71 21,012 73 48,617 35 15,717 17 5,362 04 1,707 90 9815 120,400 00	
Total Operating Exp. *		514,542 55		526,565 35		571,829 98		587,125
Earnings over Op. Exp		499,344 03		362,761 78		447,014 02	*********	570,889
SOUTHERN DIVISION.								
Rental of LEASED ROAD		1,656,360 00		1,635,554 93		1,650,600 00		1.650,600
TOTAL		2,155,704 03				70		-

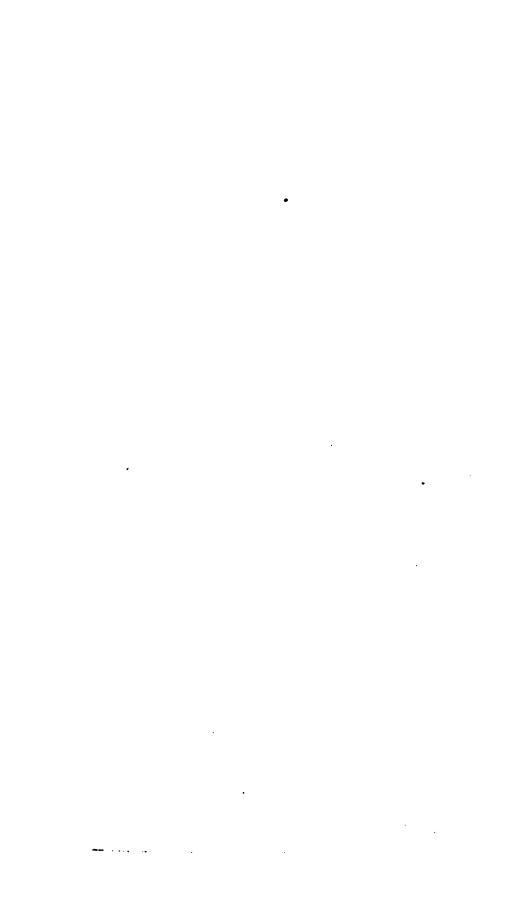
\*Percentage of Operating Expenses to Earnings.

Year 1878......50,75%

" 1879......59706% " 1880.....56706%

" 1881......5070%

J. L. WILLCUTT, Secretary.



TRUSTEES' REPORT.

D. O. MILLS-LLOYD TEVIS.

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#### SOUTHERN PACIFIC RAILROAD.

Report of Trustees under Mortgage of April 1, 1875.

San Francisco, January 1, 1882.

#### To the President and Board of Directors of the Southern Pacific Railroad Co.

We beg to submit the following report of transactions for the fiscal year of the Company ending December 31st, 1881, viz:

Balance on hand, as per Report of January 1st, 1881, one hundred and twenty-three thousand two hundred and fifteen $\frac{28}{100}$ dollars	<b>\$ 123,21</b> 5	28
Amount received during the year ending December 31st, 1881, five hundred and eighty-two thousand nine hundred and twenty-five		
$\frac{88}{100}$ dollars	\$ 582,925	88
Total	\$ 706,141	16
Out of this sum we have redeemed 277 Bonds of \$1,000 each, and 224 Bonds of \$500 each, making a total of \$389,000, at a cost of three hundred and ninety-nine thousand,		
seven hundred and twenty-nine $\frac{90}{100}$ dollars	\$ 399,729	90
Leaving cash on hand, January 1st, 1882:	\$ 306,411	<b>2</b> 6
D. O. MILLS, LLOYD TEVIS	Tonuctors	
LLOYD TEVIS	s, f Trustees	•

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### Superintendent's Report.

A. C. BASSETT.

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#### Southern Pacific Railroad.

#### NORTHERN DIVISION.

#### SUPERINTENDENT'S OFFICE, SAN FRANCISCO, May 18th, 1882.

CHARLES CROCKER, Esq.,

President Southern Pacific R. R.

#### SID .

The following report of the business of this Division, for the year ending December 31st, 1881, is respectfully submitted:

#### MILES OF ROAD WORKED.

San Francisco to Tres Pinos1	00.5
Carnadero Junction to Soledad	60.4
Castroville Junction to Monterey (leased line)	15.4
Total	 76.3

(The Santa Cruz Railroad (narrow gauge) from Pajaro to Santa Cruz, 21.5 miles, was also operated by this Company, commencing May 18th, 1881, but as its accounts were kept separate, the business is not included in this report.)

#### The equipment consists of:

Locomotives,	30	Box Cars	356
Passenger Coaches	33	Stock Cars	18
Parlor Cars	2	Flat Cars	193
Smoking Cars	3	Dump Cars	12
Excursion Cars	18	Stone Cars	9
Baggage Cars	11	Hand Cars	31
Combination Passenger and Baggage Car	1	Push Cars	31
Officers' Car	1	Wood Car	1
Pay Car	1	Sleeping Car	1
Boarding Car	1	Pile Driver Car	1
Caboose Cars	4		

[ 30 ]

One flat car was added to the stock during the year.

Twenty-nine box freight cars, unfit for further service, were torn down and rebuilt, with increased carrying capacity, at the Company's shops.

All cars and engines have been kept in first-class repair and are in effective working condition.

The traffic for the year 1881 as compared with 1880 was as follows:

TRAIN MILES.	1881,	1880.	Increase.	Per Cent.
Passengers	347,045	327,849	19,196	5.85
Freight	148,950	144,696	4,254	2.94
Service	161,611	146,501	15,110	10.31
Total	657,606	619,046	38,560	6.22
Passengers	480,133	445,118	35,015	7.87
Tons of Freight	278,350	242,600	\$5,750	14.74

The earnings for the year 1881 as compared with 1880 were:

	1881.		1880.			Increase or Decreas	_	Per Cent.
Freight	628,958	30	\$ 541,267	10	Inc.	\$87,591	20	16.18
Passengers	475,443	06	425.212	31	"	50,230	75	11.81
Mail	12,400	56	12,371	92	"	28	64	0.24
Express	12,822	28	12,344	50	"	477	78	3.87
Miscellaneous	28,490	58	27,648	17	"	842	41	3.05
Total	\$1,158,014	78	1,018,844	00	Inc.	139,170	78	13.66
Operating Expenses	587,125	26	571,829	98	"	15,295	28	2.67
Earnings over Opr. Expenses	570,889	52	447,014	02	Inc.	123,875	50	27.71
Gross Earnings per Mile	6,568	43	5,779	04	"	789	39	13.66
Earnings over Opr. Exp. per Mile	3,238	17	2,535	53	"	702	64	27.71
Per cent. of Opr. Expenses	50	70	56	12	Dec	. 5	42	ļ

The report of the Freight Agent shows a gratifying increase in both tonnage and earnings, notwithstanding sharp competition with other carriers for business at important points.

The Passenger Agent's report is equally satisfactory, showing a steadily increasing local travel, with a corresponding increase in revenue.

By means of "cheap excursions" to Monterey and Santa Cruz, a large and profitable business was inaugurated. The Summer travel to these popular seaside resorts promises to be a source of considerable revenue to the Company.

The percentage of earnings used for operating the road is the lowest for a number of years. Though the traffic was much heavier than in 1880, the additional expenditure was only \$15,295.28. Of this sum, \$13,981.78 is accounted for by the higher price of coal used during the last year.

Locomotive service cost \$165,846.99, equal to  $25_{100}^{21}$  cents per mile run, an increase of  $1_{100}^{11}$  cents. Miles run to one ton of coal,  $57_{100}^{16}$  against  $50_{100}^{99}$  in previous year.

The track has been kept up to a high standard of excellence. During the year 1123 miles of steel rails were laid from San Jose, southwards, and 19,134 new ties were placed in main track. All bridges, culverts, and fences have been maintained in thorough and safe repair. Depot buildings and warehouses along the line are all in good condition.

The Company's wharf in Mission Bay is growing in importance from year to year as a shipping point for grain and flour. In 1881, sixty-six vessels were loaded at this wharf (with 63,445 tons of wheat) for foreign ports, and our facilities for handling the business were taxed to the utmost limit.

I am pleased to be able to state that the work of the year was attended with no accidents beyond those of the most trivial nature.

Respectfully,

A. C. BASSETT,

Superintendent.



#### Southern Pacific Railroad.

Auditor's Office, San Francisco, March 23rd, 1882.

A. C. BASSETT, Esq.,

Supt. and Gen'l Freight Agent Northern Div. S. P. R. R.

SIR:

Enclosed please find "Report of Freight Forwarded" North and South for the year ending December 31st, 1881, and "Classification of Freight Moved" for the years ending December 31st, 1878, 1879, 1880, and 1881.

Respectfully,

CHAS. J. ROBINSON,

Audifor.

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## SOUTHERN PACIFIC RAILROAD.

# SOUTHERN TACIFIC IVALLINGAL. (NORTHERN DIVISION.)

Report of Freight forwarded North and South, for the year ending December 31st., 1881.

## NORTH.

TOTAL-Lbs.	24,659,681	23,684,145	36,491,210	24,138,997	23,108,784	28,964,213	33,341,108	54,976,885	53,310,457	49,639,784	39,287,796	30,966,687	422,569,747
Merchandise, Lbs.	5,912,588	8,355,324	3,601,705	3,425,197	4,715,911	4,754,330	6,874,878	7,724,997	5,935,462	6,386,961	8,140,654	5,642,741	71,470,748
Wool-Lbs.	649	185	106,696	577,587	479,678	11,207	12,772	302,475	606,073	456,637	3,024	1,028	2,588,011
Wood-Cars.	17	15	14	56	8	49	35	46	7	20	74	946	156
Vegetables. Lbs.	. 852,254	792,927	812,904	625,757	146,394	194,605	132,341	298,292	1,986,562	3,025,154	2,061,272	882,200	11,810,761
Tan Bark-Cars	3	:	- 1	Ş	1	60	3	ю	15	0	04		55
Stock-Cars.	195	154	245	368	349	337	200	216	185	183	101	124	2,677
Shingles-M.	412	240	565	185	399	846	1,354	1,331	1,785	1,631	1,910	913	10757
Quickeilver. Lbs.	84,644	98,950	50,154	18,000	54,166	62,216	168,340	165,053	160,464	195,509	122,558	307,255	1,417,309
Pickets-Cars.	64	30	6	90	90	A,	T	10	1-	9	1-	H	28
Milk-Lbs.	484,290	400,630	491,920	490,900	472,700	441,210	450,070	465,285	453,630	475,590	470,855	498,260	5,545,327
Lumber-Ft.	166,736	91,636	216,060	171,960	396,96	200,545	276,246	164,970	115,429	658,070	535,176	472,212	3,165,316
Lime-Lbs.	458,040	511	117,136	456,760	•579,124	264,885	142,830		358,975	621,740	548,164	431,430	3,982,154
Hay-Cars.	142	140	533	125	120	196	238	408	491	226	168	51	2458
Grain-Lbs.	9,688,908	6,477,629	18,427,344	6,780,838	4,967,628	9,584,295	11,261,113	28,532,450	28,119,257	23,034,884	16,463,343	15,937,912	179,275,601
Fruit-Lbs.	401,759	346,286	143,570	49,434	58,960	72,206	449,102	978,881	1,022,155	1,295,032	904,629	401,572	6,123,585
Flour-Lbs.	220,578	128,177	112,531	234,294	700,599	265,211	1,304,501	1,035,212	168,832	1,068,811	1,088,188	108,258	6,429,992
F. Posts-Cars.	т	81	G.	.01	1	10	- 5	92	94	H		÷	0 21
.coal—Lbs.		********		*******	********	23,270				********		********	23,27
Charcoal-Lbs.	:	1	*****	*****	· Assessa			1,378		-	******		1,378
Brick-Lbs.	200,000	404,800	1,812,760	363,820	682,630	619,660	28,000	969,270	258,080	480,000	330,000	482,590	6,631,610
Asphaltum, Lbs.		******	******			*******				*****	3000	*******	
.shtvom	Jan	Feb	March	April.	May	June.	July.	Aug.	Sept .	Oct.	Nov.	Dec.	Totals

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84 1,417,309 13738 2,901 31 14,156,639 545 3,125,315 146,949,483 556,701,798	146,949,483	3,125,315	245	14,156,639	2,90131	13738	1,417,309	26	5,545,327	7,470,178	4,491,348	2,753	7,147,760 64,673 19,048,581 43 8,996,301 7,087,540 181,788,299 2,758 4,491,348 7,470,178 5,545,827	7,937,540	8,996,301	1 43	19,048,58	64,673	7,147,760		Grand
134,132,051	537,304 75,478,740	537,304	88	2,345,878	224	2,981		52		4,304,862	509,194	295	2,512,698	1,813,955	2,566,309	65	516,150 63,295 19,025,311	68,295	516,150		Totals
8,905,581	5,854,872	70,338	-01	221,634	24	366		01		239,736	11,000	14	491,738	42,319	158,612	: 1	289, 122	13,370	***************************************		Dec
12,579,125	5,129,125	26,468	9	311,848	00	814	********	4	*******	415,322	18,295	330	292,518	78,387	287,617		3,435,790		25,650		Nov.
14,935,055	7,429,529	14,040	18	259,600		308	********	04		583,340	66,515	109	220,428	173,326	300,890	61	978,437	:			Oct
16,576,062	7,044,768	135,357	17	173,021	73	003		NG.		387,354	29,430	75	154,558	496,834	307,570	4	3,557,990	800	********	******	Sept
18,021,178	7,606,649	27,397	30	132,594	250	62		1	*******	336,800	40,050	63	202,067	472,041	328,188	01	5,879,497	20,000 18,035 5,87		1	Aug
8,349,320	5,991,413	64,451	10	114,294	10	84	*********	:		230, 108	22,540	12	122,146	223,099	260,694	10	162,835	4,620		******	July
13,372,209	9,195,210	31,947	1-	114,704	1.	135	********	1		248,432	23,310	00	191,586	133,082	210,193	0	2,203,210	9,455	***************************************	******	June.
9,900,036	6,255,174	31,167	15	111,049	61	855		61		573,392	70,021	4	116,527	40,016	204,345	10	581,805	3,960	13,500	*****	May
8,423,149	5,859,667	85,649	4	137,975	01	200		60	***************************************	872,514	99,265	61	29,304	42,688	100,422	01	313,860	930	117,000		April.
8,005,684	4,832,055	13,690	:	304,639	9	377		20	*******	433,078	869'69	:	205,788	43,468	195,163	5	465,010	5,000	***********		March
7,098,920	4,622,943	20,817	1	309,102	11	66		61		259,786	28,440	ī	188,747	32,976	131,509	0	513,320	2,015	20,000	*******	Feb
8,172,732	5,637,335	15,983	61	155,418	:	118	*********	4		224,700	30,630		297,296	35,719	81,106	00	644,135	5,060	320,000	Jan	an

SOUTH.

CHAS. J. ROBINSON, Auditor.

#### SOUTHERN PACIFIC RAILROAD.

NORTHERN DIVISION.

### Statement showing the total amount of Freight moved in the following years.

		::			
ARTICLES.	In What Form.	Year ending Dec. 31, 1878.	Year ending Dec. 31, 1879.	Year ending Dec. 31, 1880.	Year ending Dec. 31, 1881.
Asphaltum	Tons.	319	245	19	
Brick	М.	529	228	1,461	1,588
Charcoal	Tons.	75	28	34	32
Coal	Tons.	6,443	4,982	5,475	9,524
Fence Posts	Cars.	47	39	32	43
Flour	Tons.	2,376	2,258	3,237	4,498
Fruit	Tons.	4,761	4,650	4,211	3,969
Grain	Tons.	48,363	58,959	77,997	90,894
Hay	Bales.	197,920	171,600	194,480	220,240
Lime	Tons.	817	931	2,447	2,246
Lumber	Feet.	8,040,094	6,624,072	9,054,486	7,470,178
Milk	Gallons.	738,751	551,329	541,587	554,532
Pickets	Cars.	97	71	103	84
Quicksilver	Flasks.	25,260	40,191	11,785	15,748
Shingles	M.	5,461	3,445	8,318	13,738
Stock	Cars.	1,843	1,785	1,677	2,901
Tan Bark	Cars.	35	21	73	31
Vegetables	Tons.	5,241	5,065	5,365	7,078
Wood	Cords.	3,128	2,720	3,504	4,360
Wool	Tons.	1,192	1,405	1,576	1,563
Unenumerated Articles	Tons.	46,221	40,782	57,549	75,474
Total	Tons.	185,402	180,331	228,653	278,350

CHAS. J. ROBINSON,
Auditor.

#### SOUTHERN PACIFIC RAILROAD.

NORTHERN DIVISION.

## Classification and Tonnage of Freight moved for the year commencing January 1st, and ending December 31st, 1881.

,	IN WHAT	NORTI	HWARD.	SOUTE	IWARD.	TO	ΓAL.
CLASSIFICATION	FORM.	NUMBER.	POUNDS.	NUMBER.	POUNDS.	NUMBER.	POUNDS.
Asphaltum	Pounds.						
Brick	'М.	1,473	6,631,610	114	516,150	1,588	7,147,760
Charcoal	Pounds.		1,378		63,295		64,673
Coal	Pounds.		23,270		19,025,311		19,048,581
Fence Posts	Cars.	21	420,000	22	440,000	43	860,000
Flour	Pounds.		6,429,992		2,566,309		8,996,301
Fruit	Pounds.		6,123,585		1,813,955		7,937,540
Grain	Pounds.		179,275,601		2,512,698		181,788,299
Hay	Bales.	196,640	49,160,000	23,600	5,900,000	220,240	55,060,000
Lime	Pounds.		3,982,154		509,194		4,491,348
Lumber	Feet.	3,165,316	11,078,606	4,304,862	15,067,017	7,470,178	26,145,623
Milk	Gallons.	554,532	5,545,327			554,532	5,545,327
Pickets	· Cars.	59	1,180,000	25	500,000	84	1,680,000
Quicksilver	Flasks.	15,748	1,417,309			15,748	1,417,309
Shingles	M.	10,757	2,151,400	2,981	596,200	13,738	2,747,600
Stock	Cars.	2,677	53,540,000	224	4,480,000	2,901	58,020,000
Tan Bark	Cars.	31	620,000			31	620,000
Vegetables	Pounds.		11,810,761		2,345,878		14,156,639
Wood	Cars.	456	9,120,000	89	1,780,000	545	10,900,000
Wool	Pounds.		2,588,011		537,304		3,125,315
Merchandise	Pounds.		71,470,743		75,478,740		146,949,483
Total			422,569,747		134,132,051		556,701,798

CHAS. J. ROBINSON,

Auditor.

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#### Southern Pacific Railroad.

(NORTHERN DIVISION.)

#### GENERAL FREIGHT OFFICE, SAN FRANCISCO, March 27th, 1882.

#### A. C. Bassett, Esq.,

Supt. and Genl. Frt. Agt. Northern Div. Southern Pac. R. R.

#### SIR:

Below please find statement of freight business for the year ending December 31st, 1881, as compared with previous years:

	1879.	1880.	1881.
Tons Hauled	190,845	242,600	278,350
Tons Hauled One Mile	12,238,482	16,611,799	19,570,459
Freight Earnings	<b>\$</b> 427,992.06	\$ 541,267.10	<b>\$ 62</b> 8,858.30

#### The earnings from Freight per mile were:

	1879.	1890.	1881.
Per mile operated	<b>\$2,660.15</b>	\$ 3,070.32	\$3,567.18
Per ton per mile	3165 cts.	3,% cts.	3 <sub>183</sub> cts.

For classification and tonnage of freight in detail, see report of the Auditor.

Respectfully,

E. J. MARTIN, JR.,

Asst. Gen'l Freight Agt.

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#### Southern Pacific Railroad.

(NORTHERN DIVISION.)

Office of General Passenger and Ticket Agent, San Francisco, March 31st, 1882.

A. C. Bassett, Esq.,

Supt. Northern Div. S. P. R. R.

SIR:

I submit herewith report of passengers transported over the "Northern Division" of the road during the year ending December 31st, 1881, together with statement of passengers carried during the years 1878, 1879, 1880 and 1881.

Respectfully,

H. R. JUDAH,

Asst. Pass. and Tkt. Agt.

#### SOUTHERN PACIFIC RAILROAD.

NORTHERN DIVISION.

#### Passenger Movement for the Year ending December 31st, 1878.

Classification.	Southward.	Northward.	Total.	Passengers Hauled One Mile.	Average Distance Traveled by Each Passenger.
Local	25,862	132,254½ 7,168 26,036 44,474	269,427 13,643 51,898 88,948	8,901,712 1,180,710 1,472,248 2,250,378	33,46 Miles. . 36,45 " . 28,176 " . 25,188 "
Totals	213,9841	209,9321	423,917	13,805,098	32 No Miles.

#### Passenger Movement for the Year ending December 31st, 1879.

Classification.	Southward.	Northward.	Total.	Passengers Hauled One Mile.	Average Distance Traveled by Each Passenger.
Local Connecting Lines	121,634½ 7,215	118,385 7,895	240,019} 15,110	7,921,346 1,309,965	33,9% Miles. 86,7% " 28,3% "
Excursion Commutation	32,509 <u>1</u> 46,749	32,515½ 46,750	65,025 93,499	1,835,069 2,273,332	51-100 51-21 20-19-0
Totals	208,108	205,5451	413,653½	13,339,712	32,1% Miles.

#### Passenger Movement for the Year ending December 31st, 1880.

Classification. Southwar		Northward.	Total.	Passengers Hauled One Mile.	Average Distance Traveled by Each Passenger.			
Local	130,592 <u>1</u> 5,637 <u>1</u> 40,624 46,858	127,7341 6,0971 40,712 46,862	258,327 11,735 81,336 93,720	9,161,291 889,782 2,803,298 2,161,434	\$5,15 Miles. 75,15 " 34,15 " 23,15 "			
Totals	223,712	221,406	445,118	15,015,805	33 van Miles.			

#### Passenger Movement for the Year ending December 31st, 1881:

Classification.	Southward.	Northward.	Total.	Passengers Hauled One Mile.	Average Distance Traveled by Each Passenger.
Local		138,583 8,125	279,4004 15,9054	10,379,282 1,057,428	37 Miles.
Excursion	48,225 44,148	48,300 44,154	96,525 88,302	3,467,106 2,027,579	66,4% " 35,1% " 22,1% "
Totals	240,971	239,162	480,133	16,931,395	35 <sub>106</sub> Miles.

#### Recapitulation.

#### PASSENGERS CARRIED.

Classification.	1578.	1879.	1880.	1881.
Local Connecting Lines Excursion Commutation	269,427 <u>1</u> 13,643 <u>1</u> 51,898 88,948	240,019½ 15,110 65,025 93,499	258,327 11,785 81,336 93,720	279,4001 15,9051 96,525 88,802
Totals	423,917	413,6531	445,118	480,133

LAND AGENT'S REPORT.

JEROME MADDEN.

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#### Southern Pacific Railroad.

LAND DEPARTMENT SOUTHERN PACIFIC RAILROAD, SAN FRANCISCO, CALIFORNIA, December 31st, 1881.

To the President and Directors of the Southern Pacific Railroad Company.

GENTLEMEN:—The following report exhibits the operations and condition of the Land Department of the Southern Pacific Railroad Company from its organization to December 31st, 1881, and its prospects for the future:

As shown by previous reports, the Land Grant from the United States Government to the Company is as follows:

Act of July 27th, 1866, 12,800 acres per mile for 58774 miles.	7,523,072
Act of March 3d, 1871, 12,800 acres per mile for 34696 miles.	4,441,088
Total acres  Deduct for lands granted and reserved by Government and for those taken by settlement previous to dates of Southern	11,964,160
Pacific Railroad Acts	1,518,933
Net total acres	10,445,227

The value of these lands at the Government minimum price for adjoining lands (\$2.50 per acre) would be \$26,113,067.50.

A very large portion of them is choice agricultural and timber land, and will command a much higher price.

Five hundred and seventy-nine and twenty-hundredths (57920) miles of the main lines of the road (those to which the lands are granted), have been constructed, and the Government has accepted them.

The patents for land received from the United States Government by the Company are as follows:

In San Francisco U. S. Land District (In Counties of Santa Clara, San Benito and northern part of Monterey.)	•	acres
In Stockton U. S. Land District (In western part of Counties of Stanislaus and Merced.)	64,832 <sup>43</sup>	"
In Visalia U. S. Land District	956,55176	"
In Los Angeles U. S. Land District	101,55150	"
Total number of acres	,139,14203	

Lists of further selections of railroad lands in the counties of Santa Clara, San Benito, Monterey, Stanislaus, Merced, Fresno, Tulare, Kern, San Bernardino, Los Angeles and San Diego, will be made during the coming year, and the tracts will be offered for sale when patents shall have been received and the lands appraised.

A tabulated statement of the entire transactions of this Department is hereto attached.

The past year has been in California one of great prosperity for all legitimate business callings, but more especially so, for that of agriculture. The people seem to have turned their attention to the improvement and cultivation of land—the production of wheat, wine, wool and fruit—so that while the population of California is only 860,000, her rapid progress is astonishing. She has become the second State in the Union for wheat raising, and her wool product equals that of any of the other States, one or two perhaps excepted. In wine producing she has excelled them all.

From carefully compiled statistics the yield of a few of the staples is shown to be, in 1881:

Wheat40,000,000	bushels.
Barley	centals.
Beet Sugar	pounds.
Wool	pounds.
Wine	gallons.
Gold and Silver	dollars.
Quicksilver	flasks.

Instead of being compelled, as was necessary twenty years and more ago, to import flour, wheat and barley from Chili and other countries, California now exports these products in great quantities both by sea and land. The domestic exports—wheat, wine, wool, quicksilver, etc., by sea alone for the last eleven years have reached the enormous total of \$274,520,382.00. When the vast extent of the State (900 miles long by 200 miles wide), its small population in proportion to its size, and the comparatively limited area of its available lands now under cultivation, are taken into consideration, it leads to the conclusion that the people have energy and progressive spirit in a supreme degree, and also that the means within reach and the conditions governing them are highly favorable to progress and prosperity for the present and in the future.

As a consequence, the demand for land has been very brisk. Since my last report, December 31st, 1880, the sales have been quite satisfactory, amounting in the aggregate to 186,505<sup>74</sup> acres for \$924,101.57. Purchases have been made chiefly on the credit plan—one-fifth down, and the remainder at any time within five years, with interest on deferred payments at seven per cent. per annum. The cash received by this Department from all sources in 1881, and paid into the treasury, is \$561.860.73.

Prospects of quick and continued market for the Company's lands are good. The finding of artesian water in localities within the railroad grant where heretofore it was not supposed to exist; the rapid extension of a wise and experienced system of irrigation; the knowledge lately acquired that one hundred and sixty acres of alfalfa or a few well-tilled acres of grapes,

oranges and other fruits, will afford a family a certain and comfortable subsistence; the discovery of new and improved methods of farming and horticulture; the extension of the area of tillage, and the easy and satisfactory terms on which railroad tracts can be purchased, give assurance that as time advances, most if not all of the Company's lands can be disposed of at increased and remunerative prices.

The bulk of the sales this year has been in the counties of Fresno and Tulare. Recent discoveries of abundant artesian water in these places, and the enlarged development and extension there of irrigation facilities from this source and from the rivers and streams, together with the wonderful productiveness of the soil and its adaptability not only for all kinds of farming, but for almost every kind of fruit, including oranges, limes, lemons, etc., and grapes for wine and raisins have attracted a large number of farmers, vineyardists and fruitgrowers from other parts of the State, and have also engaged the attention of immigrants and other persons from the Eastern States and Europe, desirous of embarking in this species of industry, to such an extent that the small villages of Fresno, Hanford and Tulare, situated there, are becoming important towns with good populations and rapidly increasing The lands in the vicinity are daily advancing in business. value and the demand for them is lively.

There is also active enquiry for railroad and other lands in the counties of Los Angeles and San Bernardino, particularly at the latter place. The facilities for obtaining water for irrigation and the great success of fruit and wine production there; the profit to be derived therefrom as demonstrated by the colonies of Riverside, Pasadena and Anaheim; the undoubted excellence of the soil and climate; the impetus given to all kinds of business in that region in consequence of the new markets opened up by the recently constructed Southern Pacific Railroad through Arizona, New Mexico and Texas, and which in a year will reach Galveston and New Orleans, together with its proximity to the Ports of Wilmington and San Diego (the former accessible by rail and the latter to be

so in a short time), have stimulated values of real estate in Southern California. The Company has a great deal of land in these counties which will soon be eagerly sought after and purchased, and this will come to pass more especially when the railroads now projected and in course of construction in that section of country shall have been completed, and the system of immigration to California soon to be put into effect by the Company shall be in full operation.

Inquiries have lately been made for "foot-hill" tracts for planting vineyards and for establishing homes for fruit-growers and small farmers. These lands are found on the slopes at the foot of the hills. They are generally close to wood and water and lie in the "frostless" belt, at an elevation above the sea of from 1,000 to 3,000 feet, in a climate not subject to the variations of temperature which occur in the valleys and high mountains. These lands, of which the Company has a large number of acres, are destined to become at no distant day some of the most valuable property in the State.

I have great pleasure in stating that the troubles about rail-road lands in Tulare County, in what is known as the Mussel Slough region, have almost wholly ceased, the United States Circuit Court having fully decided all points in favor of the Company's title, so that even those who pretended to find flaws now say there are none and acknowledge it to be good. Most of those who were very violent in their efforts to keep unlawful possession, have, under the influence of a wiser and better feeling, purchased from the Company, and at present there are only a few tracts of insignificant area in dispute.

The plan of leasing (one year with privilege of purchase) the railroad lands which are patented and unsold, is still continued with profitable effect, both as to amounts received for rents and in inducing ultimate purchase of the tracts rented. Usually before the expiration of the year, those who lease buy at the fixed prices. Persons who rent land for farming are enabled, often, to pay from one year's proceeds of crop all or the greater part of the purchase money. The amount received on account of leases for 1881 is \$85,080.60. In addition to

this there are further sums, in the aggregate about \$5,000.00, which are not yet paid into this office.

During the past year 28,897 immigrants came to California. The character of the newcomers gives assurance that they will prove valuable additions to the population, as they have already settled upon farms or are otherwise engaged in productive labor. This immigration, the railroads that have been constructed, the inquiry for transportation, the substantial character of our currency, and the healthy condition of trade relations, are in themselves evidences of the prosperity of affairs.

California, with a small population and vast extent of unoccupied land, offers a large, productive and certain field to capital and to the industrious and thrifty farmers and mechanics who seek her shores. Her rich resources await development. They are abundant—almost incalculable. Intelligent enterprise and industrious effort, whether of associations or individuals, in connection with the cultivation and improvement of her soil, have always been successful. Her commerce, magnificent at present, in a half a century more will be enormous. It only needs judicious management, and wise, energetic action in the matter of immigration, to insure her rapid growth in all that constitutes well being.

Respectfully, &c.,

JEROME MADDEN.

Land Agent.

#### ANNUAL STATEMENT 1881.

#### Statement of the business of the Land Department Southern Pacific Railroad Company.

Nu	mber of A	cres Sold	l, as follov	ws:			1	From com- nencement of Sales to Dec. 31, 1880, inclusive. Consideration	to Dec. 31, 18 inclusive	881, e.	Total.  Consideration.
	ACRES. 122,584.0 16,077.1		h, amount	ting t	;o			256,523 67	\$ 47,096		
Total	.188,661.1	B "	"	•	"						\$ 303,620 37
	192,410.2 170,428.5	on Cre	dit "		"			978,877 28	\$ 877,004	87	
Total	.362,833.8	6 <u>1</u> "	**	•	"	• • • • • •					\$ 1,855,382 10
	501,500.0	- 2} Grand	Total Dece	embe	r 31, 188	31		1,234,900 90	\$ 924,101	57	\$ 2,159,002 47
					RECA	PITUL	AT101	٧.			
	cres Sold	to Decem	nher 81 1	881 i					ounting to		. \$ 2,159,002 47
Total A											. ,
From v	tracts to	uct acres December	ge repres 31, 1881- ny	said	lands	having	<b>\</b> 4	3,798.00	" "	••••	166,960 81
From v	itracts to erted to t	uct acres December 1e Compa	ິ31, 1881 ny		lands	having	4 4	7,702.021			\$1,992,042 16
From v	itracts to erted to t	uct acres December 1e Compa	ິ31, 1881 ny		lands	having	46	7,702.021			\$1,992,042 16
From v	itracts to erted to t	uct acres December 1e Compa	ິ31, 1881 ny		lands	having	46	7,702.021	" "	381,	\$1,992,042 16

<sup>\*</sup>Includes proceeds of sales of grain referred to in Annual Statement 1880. (See "\* Nors," page 57 Annual Report 1880.)

Total amount received and paid to Treasurer...... \$ 900,778 48

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CHIEF ENGINEER'S REPORT.

GEO. E. GRAY.

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#### Southern Pacific Railroad.

Office of Chief Engineer,
San Francisco, Dec. 31st, 1881.

To the President and Directors of the Southern Pacific Railroad:

In our Annual Report for the year ending December 31st, 1880, it was shown that the completed road aggregated  $711\frac{5}{100}$  miles.

From that date to this, there have been constructed  $2\frac{59}{100}$  miles, beyond Wilmington, on the Los Angeles and Wilmington line, an extension to San Pedro. At the latter place, a commodious wharf has been constructed, and the necessary side tracks, freight and passenger-house, engine-house, &c. By this addition, car and ship come together, enabling the expeditious transfer of passengers and freights.

The surveys from Mojave to the Needles, on the Colorado River, have been under progress, and the construction will soon commence.

The construction of the line through the Territories of Arizona, New Mexico, and Texas, has occupied the principal time and attention of this Department.

The completed road at this date is as follows:

	T-4-1	71410	
"	Los Angeles, Wilmington and to San Pedro	<b>24</b> .65	"
	Angeles, to the Colorado River	528.56	"
"	Huron via Goshen, Mojave, and Los		
"	Carnadero to Soledad	60. <b>4</b> 0	"
From	San Francisco to Tres Pinos	100.49	miles.

Appended hereto is a list of Station Buildings and other structures, of which no report has heretofore has been made.

Respectfully submitted,

GEO. E. GRAY,

Chief Engineer.

LIST OF STATION BUILDINGS, WATER AND FUEL STATIONS,  $$\operatorname{\mathtt{ETC}}$.$ 

STATIONS.	Passenger Buildings.	Combination (Freight & Passenger) Buildings.	Freight Depots and Warehouses.	Engine Houses. Stalls.	Machine Shops.	Car Repair Shops,	Car Sheds.	Section Houses, Em- ployees' Dwellings, etc.	Section Tool Houses.	Stock Corrals & Schutes.	Turn Tables.	Water Stations.	Fuel Stations.	Other Structures, incl'g Platf'ms at Flag St'ns.
San Francisco	2		2	1-13	1	8			2	1	1	1	1	10
Bernal		2129		*******				1	22.	1.00				1
Ocean View		1							i					1
Colma Baden	··i	1					****	11.5	1				1616	i
San Bruno.		···i							****	···i				1
Millbrae		î						1	1	î				
Oak Grove	1									1				1
San Mateo	1		1						1	1	``i`	1		1
Laurel Creek		1	****	*******				****						1
Belmont	i		î						ï	1	1			1
Fair Oaks									1				2	i
Menlo	1	1110	1		0.01		1661	1.00		149.4		1		
Mayfield		1	2	******				1	'n	1				1
Castro's				******					+++	1			****	1
Mt. View	1		2	******	1+++	****		1	1	1	****	1		
Murphys								1500	0.61		.5.7	···		1
Lawrence's	****	1						****		1	****		****	1
San Jose	2		3	2— ;	17.17		1		2	1	i	i	1	8
Eden Vale								W.O.				AG.		2
Coyote	****	1	1					1	i	í	vert	1		i
Perry's.	1							****						1
Madrone	42			*******	742.6	13.33	***	1	1	1		-324		2 2
Tennant's		1107		******				****		i	****	****		2
Gilroy	1		9	1— 2		1	****	1	1	1	í	1	1	3
Carnadero		53.77										1	. Ĉ.	1
Sargent's		1			****			1	1	1				1
Chittenden's					4444			++++		4				1
Pajaro Bridge				*******	933,8		1554	1	1	60.00		149.4		i
Sand CutVega	3111									. 500				1
Pajaro		····	1	1-1		****		20.00	2	1	"i"	1	'i'	3
Castroville				1-1 1-1				'n	ī	i	.5.	î		
Salinas		1		1-1	****	1			1	1	'n	1	1	2
Spencer's	···i		'n											1
Chualar	1	i	1						1	1			555.	2 1 2 1 1
Gonzales		1		1 0	++++	****		++++	"i"	i	1	i	1	1
Soledad				1-2		****	****			1				1
Hollister		1						1000	2	1	****	ī	11.11	
Tres Pinos		1		1-1						1	1	V-SI		1
Huron		1						1		1	1			2
		111			0.1			u.S.			wood			
HeinlenLe Moore		i					****			1		ï		'n
Hanford		1					TX.	2	1	1	****	1	4747	2
Goshen		1											1	1
Tulare		1		1—13	1	1		2	2	1	1	i	î	10
The state of the s		110		24.5	1		F		13	8	iron		1	
m South of Tulare				errore.	1131			2	1		000			1
2 m South of Tipton	200		1				0.0	2	1	1	00	1	****	1
Delano		i	****		****	****		2		i	****	1		1
Poso							100			1	200		1111	1
							10755	3						1

STATIONS.	Passenger Buildings.	Combination (Freight & Passenger) Buildings.	Freight Depots and Warehouses.	Engine Houses. Stalls.	Machine Shops,	Car Repair Shops.	Car Sheds.	Section Houses, Em- ployees' Dwellings, etc.	Section Tool Houses,	Stock Corrals & Schutes.	Turn Tables.	Water Stations.	Fuel Stations.	Other Structures, incl'g Platf'ms at Flag St'ns.
Sumner	,,,,	1	7434	1- 6	,			1	1	1	1	1	1	5
PampaCaliente	****	i			****	****	::::	2 3	1 2	1	iron 1	1	i	1 3
Bealeville Keenes	::::	1 1	****					2 3 2	1 1 1		wood 1 wood	1 1 1		1 2 1
Cameron		'n		1—15		··i·		2 4	1 2		°í	1	··i	1 5
Sand Creek, Lancaster	****			1-1				2	1		wood 1	1	1	1
Alpine. 2 m N. of Ravenna Ravenna Lang's 2 m N. of Newhall. Newhall. Oil Works, nr. And'ws San Fernando Tunnel San Fernando	**** **** **** **** ****	i i i	····· i	1 3	****	****		2 2 2 2 2	1 1 1 1 1	1  1	wood	1 1 1	i  i	1 1 2 1 1 
Sepulveda Los Angeles		···i		1-18	ï	ï		2	1 2	··i	···i	··i·	···i	1 9
San Gabriel. Savannah. Monte. Puente. Spadra. Pomona. Cucamonga. Colton		1 1 1 1 1	i i	1-2		1000 1000 1000 1000 1000 1000 1000	1444 1444 1444 1444 1444 1444	2 2 2 2 2	1 1 1 2	 i i	wood	1 1 1 	1	1  1 1 1 3
Mound City El Casco San Gorgonio		1 1	****	*******		****		2 3	1 2	****	i	 1 1	::::	1 1
Banning		1						2 2 2	1 1 2	****	wood 1 wood	1 1 1		î
Morongo Pass				i- i				1 2	1		'n	····		
Walters Dos Palmas Volcano		i	****		***			2 2 2	1 2 1	****	Wood 1 Wood	1	i	2 1
Flowing Wel s	i i	1	3	1— 8		1	1000 1000 1000 1000 1000 1000 1000 100	2 2 2 2	1 1 1 1 	····	wood	 		1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1

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#### OFFICERS

#### Southern Pacific Railroad Co.

1881-2.

CHARLES CROCKER, CHAS. F. CROCKER,

H. M. NEWHALL, W. V. HUNTINGTON,

CHAS. MAYNE,

J. L. WHIGUER

NICHOLAS T. SMITH.

President, - CHARLES CROCKER, San Francisco.

Vice-President, CHAS. F. CROCKER. San Francisco.

Treasurer. - N. T. SMITH, San Francisco.

Secretary, - J. L. WILLCUTI, San Francisco.

#### Superintendent,

A. C. Bassett, - San Francisco.

Ass't General Freight Agent.

E. L. MARTIN, Jr., - San Francisco.

Asst Passenger and Ticket Agent,

H. R. Judan, San Francisco.

Chief Engineer,

George E. Grav. - San Francisco.

Land Agent,

JEROME MADDEN, - San Francisco.

General Agent, LELAND STANFORD, San Francisco.

Agent and Attorney, C. P. HUNTINGTON, 23 Broad St., N. Y. City.

## ANNUAL REPORT

AR THE

#### BOARD OF DIRECTORS

OF THE

## Southern Pacific Kailroad Co.

(OF CALIFORNIA.)

TO THE

#### STOCKHOLDERS.

For the Year Ending December 31st, 1882.

SAN FRANCISCO:

IL S. CROCKER & CO., STATIONERS AND PRINTERS.

1883.



## ANNUAL REPORT

OF THE

#### **BOARD OF DIRECTORS**

OF THE

## Southern Pacific Railroad ¶o.

(OF CALIFORNIA,)

TO THE

#### STOCKHOLDERS.

For the Year Ending December 31st, 1882.

SAN FRANCISCO:

H. S. CROCKER & Co., STATIONERS AND PRINTERS.

1883.



## ANNUAL REPORT

OF THE

## President and Board of Directors

For the year ending December 31st, 1882.

L.

OFFICE OF THE SOUTHERN PACIFIC RAILROAD Co., SAN FRANCISCO, July 12th, 1883.

## TO THE STOCKHOLDERS: -

Your President and Board of Directors beg to submit herewith their Annual Report of the operations of the road for the fiscal year ending December 31st, 1882. It is accompanied by the reports of officers of the operating and financial departments, and shows the condition of the Company at the close of its last fiscal year.

The liabilities and assets of the Company are briefly shown as follows:—

## CAPITAL STOCK.

The amount of the Capital Stock of the Com-	
pany authorized is	\$ 90,000,000
The amount subscribed to December 31st,	
1882, was	41,722,000
The amount paid in was	40,363,900

## INDEBTEDNESS.

The debts of the Company at the same date were:	
Funded Debt,—	00
1st Mortgage Bonds, as per Statement No. 5. \$ 30,888,000 Sinking Fund,—	w
to be applied to the redemption of 1st Mort- gage Bonds under conditions of mortgage. 100,000	00
Trustees of Mortgage,— to be applied to the redemption of Bonds	
when the same reaches \$100,000 91,165	13
Amounts due by the Company,— including \$2,247,324 54 due the Central Pacific Railroad Company, pending litiga-	
tion in which this Company is not a party concerned either as plaintiff or defendant. 2,897,383	41
Total	
10001 ψ 00,010,010	
ASSETS.	
The Assets of the Company on December 31st, 1882, consisted of railroad and telegraph line, with sidings, turn-outs, turn-tables,	
round-houses, depots, wharves, piers, etc. \$68,660,606	<b>82</b>
Equipment for same	59
Real Estate, depot grounds, etc., including an	
undivided half-interest in 60 acres of land in Mission Bay, San Francisco	74
Shop tools and machinery	
Road tools 8,004	
Material for repairs 89,219	
Fuel	
Office and station furniture, telegraph instru-	
truments, etc	
Cash	<b>27</b>
Sundry accounts due the Company,—	20
see Statement No. 3, for details 3,834,099	23
Land Grant from U. S. Government,— estimated value of lands unsold 38,500,000	00
Amount in hands of Trustees,—	10
to be used for redemption of bonds 91,165	
Total\$121,189,445	76

## EARNINGS AND OPERATING EXPENSES.

Statement No. 1 of the Secretary's Report shows the earnings of the Northern Division, for the last fiscal year, to have			
been		1,257,399	35
The operating expenses were		614,891	78
Thus leaving the amount of earnings over operating expenseswhich is an increase of \$71,618.05 over	\$	<b>642</b> ,50 <b>7</b>	57
the year 1881.			
The amount received for rental of the Southern Division (in California) was	\$	1,666,666	00
Making the total earnings for the year in comparison with \$2,221,489.52 for the year.	\$ ear	2,309,173 preceding	57 it.

That you may keep advised of the operations of the road to the latest practicable date, I would say that the earnings of the Northern Division for six months of the current year ending June 30th, will approximate \$560,000, while the earnings for same period last year were but \$533,000. An increase will also appear in the rental of Southern Division by reason of additional road constructed and in operation under lease to the Central Pacific Railroad Company.

For any details of the business of the Northern Division, I would refer you to the accompanying report of the Superintedent, which will be of interest to you all.

From correspondence with the Secretary of the Central Pacific Railroad Company, it will be seen that the portion of road under lease to that Company is still being profitably operated, with a marked increase in the gross earnings as compared with previous reports.

## STATEMENTS.

The Secretary's report embraces a statement of the earnings and operating expenses for the year as a whole and by months,

as also a comparative statement of the business of the road for the years 1879 to 1882 inclusive. A balance sheet of the books at the close of the last fiscal year, a detailed statement of the Funded Debt at same date and of Profit and Loss account for the year are also shown.

Referring to the statement of Profit and Loss account, it will be observed that the amount of taxes therein shown with a notation that they are either "Paid or provided for," is largely in excess of that for the year preceding it, and would state in explanation thereof that when the first State Board of Equalization under the New Constitution, came into power,-in 1880,—they arbitrarily assessed the railroad and equipment at double the value as placed upon it by the local assessors prior to the adoption of the said New Constitution, and double the value as confirmed year after year by local Boards of Equalization; all other property assessed by local assessors was increased but little, if any, and it was so stated by the Chairman of the State Board of Equalization to our agent, who appeared before said Board, asking to have said railroad equipment valued in proportion to the other property so assessed by said local officers; which request, however, they declined to accede to. Such an unjust proceeding was of course resisted by the Company, who declined to pay taxes on such assessed values, and hence the suit by the County of San Mateo (with which all of you are doubtless familiar), and which is now pending in the United States Supreme Court as a test case. Since the commencement of the suit however, compromise settlements have been made with several counties; and in addition to the taxes so paid during the last two years, it has been deemed advisable to provide an amount each year, with which to meet any further settlements that may be made by compromise or otherwise, for the taxes of those years: the amounts which have been set aside, and which are included in "Taxes" account, will, it is believed, be sufficient to meet all taxes the Company will be required to pay on assessments prior to and including the year 1882.

## [, 7 ]

## ROAD.

The number of miles of road constructed up to De	ecember
31st, 1882, was as follows:—	
From San Francisco to Tres Pinos	100.49
From Huron (via Goshen) to the west bank of the	
Colorado River	528.56
From Los Angeles (via Wilmington) to San Pedro	<b>24</b> .65
From Carnadero to Soledad	60.40
And — on the Mojave line to the Needles —	
From Mojave — a distance of	131.08
• Miles	845.18

## LEASED LINE.

## MONTEREY RAILROAD,—

From Castroville Junction to Monterey	15.12
Total miles	860.30
which 630 53 miles were in operation under lease	to the

Of which 630.53 miles were in operation under lease to the Central Pacific.

176.01 " were operated by this Company under the title of "Northern Division."

and 53.76 " went into operation on February 12th of the present year.

The road is maintained in good condition. During the year about sixteen miles of main track on the Northern Division have been relaid with 50-pound (per yard) steel rails; and on the Tehachapi grade (Southern Division) for about twenty-five miles, it has since been deemed advisable to substitute 60-pound steel rails for the 50-pound heretofore laid, owing to the heavier class of freight engines which have been introduced on this division.

## EQUIPMENT.

The rolling stock of the Company has been increased during the year by the addition of two locomotives and some three hundred and ninety freight and other cars for the Southern Division, and ten passenger coaches for the Northern Division; and comprised on both divisions at the close of the year;

Locomotives 50	
Cars: —	Stock and Caboose 22
Passenger	
Baggagge, Mail and Express 13	Hand126
Box and Combination Freight 909	Section110
Platform354	Others 2

## LAND GRANT.

The report of the Land Agent is accompanied by a statement of the operations of the Land Department to the close of the fiscal year, and shows at a glance the great value of these lands and the increased demand in prospect for them. It refers to the adaptability of the lands to the many branches of agriculture and the growing tendency of the current demands for the various kinds of fruit and vine-growing lands.

## BONDED INDEBTEDNESS.

The Trustees' Report shows the sum of \$387,968.43 to have been received from the Land Department on account of land sales during the year, and redemption of First Mortgage Bonds to have been made to the amount of \$595,000. Since the date of that report there has been the further amount of \$100,000 bonds redeemed; and on June 30th there remained the sum of \$85,124 in hands of the Trustees.

## COMPLETION OF THE MOJAVE LINE; -OTHER CONNECTIONS, ETC.

Mention was made in the last annual Report of the commencement of work on the Mojave (or 35th parallel) line, and we have now to report the completion of that section of road to the Colorado River,  $242_{1000}^{507}$  miles, on the 19th of April last, where it is awaiting connection with the Atlantic and Pacific Railroad upon completion of the bridge now under construction by that Company. This will not only form another important Eastern connection, but will be a short and direct route to Kansas City via Albuquerque,—lessening the distance

by nearly 250 miles,—as compared with the route now followed, and it is believed will open up a local traffic with important mining regions in California, Southern Nevada and Arizona, heretofore comparatively undeveloped.

Commencing with the present year, the Company practically assumed the management of the Santa Cruz Railroad (a narrow-gauge road), running from Pajaro to Santa Cruz, and 21 miles in length. The owners of that road have since projected a branch line under the name of the Loma Prieta Railroad, which will run into the fine timber lands of the Santa Cruz Mountains. Upon completion of the new road, which is being constructed to the standard gauge, the gauge of the Santa Cruz will be widened to the same. This change and new piece of road will not only open a new business in the timber region, but we believe will largely increase the business over the old line which skirts the northerly shore of Monterey Bay and terminates in the thriving city of Santa With this line to amply accommodate the summer travel to the noted watering places on one side of the bay, and the "Monterey" line to the famous summer and winter resort of that name on the other, we are assured of a steady increase in the pleasure travel, which is already large, to these wellknown and delightful localities.

Referring to the anticipations of the Company in previous reports as to the completion of its connecting lines, we would now say that in January last the working forces on the Galveston, Harrisburg and San Antonio Railroad met and junction was made, which has not only connected our road with the through system of the Company to the Gulf ports and New Orleans, but also with the various railroad systems of the Southwestern and Southern States.

This connection, besides opening up a large trade between the Pacific Coast and the Southern States, promises to the Company the carrying to Europe of large shipments of the wheat crop of California and Oregon.

The completion of the road has already been a great benefit to the southern portion of the State, extending the outlets for its green fruit product. This latter has now assumed large proportions. The shipments to eastern cities from Los Angeles county during the first six months of 1883 having been 7,679,440 lbs. against 1,083,000 lbs. during the whole year of 1882, and 195,920 lbs. in 1881. The wine industry of Southern California is also steadily growing; shipments from Los Angeles to Eastern cities having increased from 95,963 gals. in 1881, to 277,500 gals. in 1882, and will aggregate 174,573 gals. for the first six months of the current year.

The plan of the Company for bringing immigrants from Europe at very low rates of fare, direct to such localities as they may have previously decided upon, it is believed will soon result in settling the southern portion of the State with a thrifty population, and thus not only enhance the value of the Company's lands, but, through the consequent increase of their productions, largely augment the revenue of our road and add to the wealth and prosperity of the State.

CHARLES CROCKER.

President.

## Southern Pacific Railroad.

## PRESIDENT'S OFFICE.

San Francisco, June 30th, 1883.

MR. E. H. MILLER, JR.,

Secretary Central Pacific R. R. Co.,

DEAR SIR:-

In behalf of the Directors of this Company, I would request that you furnish me for publication (if you can conveniently do so) a statement, similar in form to that which has been furnished the last two years,—showing the Earnings and Operating Expenses for the year 1882,—of that portion of our road under lease to your Company.

Respectfully yours,

CHAS. CROCKER,

President.

## CENTRAL PACIFIC RAILROAD.

## SECRETARY'S OFFICE.

SAN FRANCISCO, Cal, July 7th, 1883.

CHAS. CROCKER, Esq.,

President Southern Pacific Railroad Co.,

DEAR SIR: --

Replying to your letter of June 30th, I have to state that the earnings of this Company for the year 1882, on that portion of the Southern Pacific Railroad (of California) leased by this Company were:—

Gross Earnings		4,025,359.60
Operating Expenses	2,119,944.38	
Rental	1,666,666.00	3,786,610.38
Leaving net (profit to Central Pacific R. ]	R. Co)	\$238,749,22

Yours respectfully,

E. H. MILLER, JR.,

Secretary.

## SECRETARY'S REPORT.

J. L. WILLCUTT.



## Southern Pacific Railroad Company.

SECRETARY'S OFFICE, SAN FRANCISCO, JUNE 1st, 1883.

CHARLES CROCKER, Esq.,
President.

SIR:

I beg to hand you herewith Statements (numbered 1 to 6, inclusive), of the business of the road for the year ending December 31st, 1882, and of the financial condition of the Company at that date, all of which are respectfully submitted.

J. L. WILLCUTT,

Secretary.



## No. I.

## Statement of Earnings and Operating Expenses for the Year ending December 31st, 1882.

## NORTHERN DIVISION. \$ 672,295 16 531,240 83 13,767 80 11,497 27 6,063 51 7,023 16 12,511 62 3,000 00 Freight ..... Express.... Rental Mail..... Telegraph. \$ 1,257,399 35 Total Earnings ...... OPERATING EXPENSES. \$ 5,565 01 82,577 91 78,810 57 139,884 76 37,887 47 8,572 53 7,131 79 6,533 40 4,808 21 96,468 57 8,354 15 25,329 21 54,118 10 Expense of Superintendents..... Station Service..... Train Service... Train Service. Locomotive Service. Office Expense. Stationery and Printing. Advertising. Water Service. Repairs of Tools. "" Track. "" Buildings. "" Engines Buildings. Engines. " 25,329 21 54,118 10 23,054 39 9,126 37 851 51 586 75 956 17 Miscellaneous Expense. Mail Service. Loss and Damage (Property). Damages (Personal). Expense of Leased Road. 3,634 21 20,640 70 614,891 78 Earnings over Operating Expense ..... 642,507 57 SOUTHERN DIVISION. Rental of LEASED ROAD ..... 1,666,666 00 \$ 2,309,178 57

J. L. WILLCUTT Secretary.

10.

Exhibit of Earnings and Operating Expenses by Months, for the Year Ending December 31st, 1882.

Januar						ว						
	January. February.	uary. March.	April.	May.	June.	July.	August.	August. September October.	October.	November December	Pecombor	Tutal.
Freight 39,527 06	96 36,810 91	10 91 42,466 05	5 41,403 42	46,575 46	53,360 26	64,769 63	76,803 09	82,963 79	81,610 02	82 905,38		62,008 00 # 672,216 16
Passenger 30,629 47		27,928 85 34,194 89	9 38,400 36	53,329 94	60,422 18	60,974 33	49,220 87	49,937 39	15,544 40	38,112 68	43,045 47	531,840 83
Express 1,030 07		896 50 1,035 14	1,118 02	1,205 69	1,303 94	1,247 72	1,316 38	1,270 55	1,366 50	1,096 71	1,050 58	13,767 81
Rental978 53		948 88 953 88	8 948 88	958 88	963 88	1,313 89	910 30	814 80	08 750	918 KB	73×30	11,407 27
Storage 187	8	136 87 54 08	8 42.76	12.78	154 26	345 42	841 40	1,529 87	1,347 66	716 49	00 700	0,003 51
Miscellaneous 246 65		753 33 540 65	420 62	998 63	281 12	816 76	378 09	250 15	900 008	06 747	1,822 96	7,023 16
Mail 1,033 38		1,033 38 1,033 38	3 1,033 38	1,083 38	1,033 38	1,051 89	1,051 80	1,051 89	1,061 89	1,051 39	1,051 80	12,611 69
Telegraph 350 00		250 00 250 00	250 00	250 00	250 00	850 00	<b>3</b> 50 00	250 00	850 00	00 og#	350 00	8,000 00
TOTAL AMOUNT 73,882 64		68,258 72 80,528 07	<u> </u>	83,617.44 104,864.71 122,750.02 130,609.64 124,772.20 138,104.03 132,788.96	122,750 02	130,569 64	124,772.20	138,109 08	132,788 96	PH, 037 14	90,152 78	BO, 152 78 1, 267, 399 36

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\$ 40,363,900 00 30,888,000 00 91,165 13 2,947,824 54 650,069 87 100,000 00 1727,834 64 1,257,839 00
By Capital Stock First Mortgage Bonds Land Trust Fund Central Pacific R. R. Co. Accounts due to sundry parties Sinking Fund. Profit and Loss
To Construction

THE CENTRAL PACIFIC RAILEOAD CO. et al.,
Defte. † In suspense, pending decision in the case of THE COUNTY OF SAN JOAQUIN, Plfs.

J. L. WILLCUTT, Secretary.

	r 31st, 1882.
	315t,
	it of Profit and Loss for Year Ending December
	Ending
lo. 4.	Year
Ž	for
	Loss
	and
	Profit
	fo t
	Statement
	Dr.

 $C_R$ 

* Taxes and Street Assessments         323,988 90           Interest         1,712,434 69           Renewal of Track         6,387 06           Sinking Fund         100,000 00           Other Accounts         1,129 14	Road Earnings (Northern Division, etc) \$ 1,257,399 35	\$ 2,309,173 57
323,988 90 1,712,434 69 6,387 06 100,000 00	Less Operating Expenses 614,891 78 \$ 642,507 57 \$ 88e—Southern Division—Net 1,686,686 00 arnings account Contract with W. F. & Co.	\$ 2,309,173 57 159,000 00
1,712,434 69 6,387 08 100,000 00	\$ 642,507 57 saee—Southern Division—Ner1,686,686 00 arnings account Contract with W., F. & Co.	\$ 2,309,173 57 159,000 00
6,387 08 100,000 00 1,129 14	sase—Southern Division—Ner	\$ 2,309,173 57
1,129 14	arnings account Contract with W., F. & Co	159,000 00
1,129 14	0	
	Redemption of Bonds (through Sales of Lands, etc.)	595,000 00
Balance December 31, 1882		
\$ 3,566,636 20		\$ 3,566,630 20
By Ba	By Balance brought down	\$ 1,267,832 09

J. L. WILLCUTT, Secretary.

\* Paid or provided for.

Function   Petty mark   The Reserve   The Control   Petty mark   The Remain   The

, **#** ]

## No. 6.

# Comparative Statement of Earnings and Operating Expenses for the Years 1879, 1880, 1881 and 1882.

		NOR	THERN D	ivision.				
	Year December	Ending r 31st, 1879.	Year December	Ending r 31st, 1880.	Year December	Ending r 31st, 1881.	Year December	Ending r 31st, 1882.
EARNINGS.								
Freight Passenger Express Rental Storage Miscellaneous Mail Telegraph  Total Earnings **	411,361 14 13,320 86 10,405 33 5,506 99 6,352 51 11,388 24 3,000 00		\$ 541,267 10 425,212 31 12,344 50 11,121 10 8,215 02 5,312 05 12,371 92 3,000 00		\$ 628,858 30 475,443 06 12,822 26 11,791 31 6,101 87 7,597 40 12,400 56 3,000 00		\$672,295 16 531,240 83 13,767 80 11,497 27 6,063 51 7,023 16 12,511 62 3,000 00	
Total Earnings *		000,021 10		1,010,011 00		1,100,014 10		1,601,000 00
OPERATING EXPENSES.	1 1 1 X			i v				
Expense of Superintendents. Station Service. Train Service. Locomotive Service. Office Expense. Stationery and Printing. Advertising. Water Service. Repairs of Tools.  Track. Buildings. Buildings. Cars. Bridg's & Culverts Fences Miscellaneous Expense Miscellaneous Expense Miscellaneous Expense Madi Service. Loss and Damage (Property). Damages (Personal). Expense of Leased Road.	66,189 50 115,597 29 34,610 81 6,014 58 5,737 15 6,591 19 4,841 02 90,417 17 10,222 54 19,756 88 47,755 25 23,766 03 12,019 21		5,392 86 79,454 03 69,437 81 128,038 22 35,649 68 8,423 69 6,379 57 8,455 32 3,899 61 100,012 40 10,674 90 21,190 95 42,030 43 27,669 44 854 41 1,331 48 886 25 816 93 816 90 20,400 00		5,353 33 78,664 02 73,086 31 144,834 26 8,596 90 7,212 85 9,484 32 3,684 60 98,554 71 5,842 41 21,012 73 48,617 35 15,717 15,362 04 1,071 30 519 05 1,707 90 981 51 20,400 00		5,565 01 82,577 91 78,810 57 139,884 76 87,887 47 6,533 40 4,808 21 96,488 57 8,354 15 25,339 21 54,118 10 23,054 39 9,126 37 851 51 586 75 966 17 3,634 70	
Total Operating Exp. *		526,565 35		571,829 98		587,125 26		614,891 78
Earnings over Op. Exp		362,761 78	********	447,014 02	acomenn	570,889 52		642,507 57
SOUTHERN DIVISION.								
Rental of LEASED ROADS		1,635,554 93	*********	1,650,600 00		1,650,600 00	***********	1,666,666 00
TOTAL		1,998,316 71		2,097,614 02		2,221,489 52		2,309,173 57

\*Percentage of Operating Expenses to Earnings.

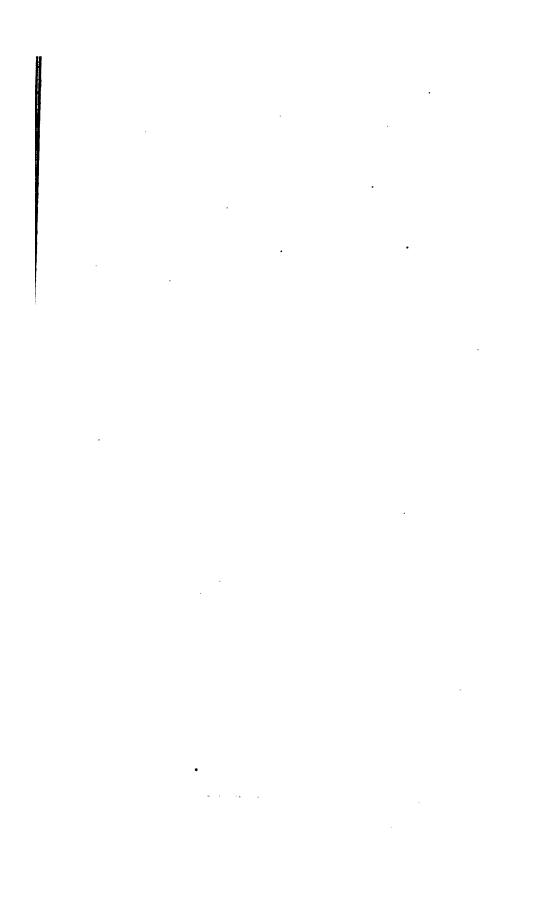
Year 1879.....59700%

- " 1880......56<sub>100</sub>%
- " 1881.....50<sub>700</sub>%
- " 1882......48,00%

J. L. WILLCUTT, Secretary.

## Superintendent's Report.

A. C. BASSETT.



## Southern Pacific Railroad.

(NORTHERN DIVISION.)

Superintendent's Office, San Francisco, Cal., May 1st, 1883.

CHARLES CROCKER, Esq.,

President Southern Pacific R. R.,

Sir: —

The following report of the business of this Division, for the year ending December 31st, 1882, is respectfully submitted:—

The number of miles of road worked was the same as in 1881 (176.3). The accounts of the Santa Cruz Railroad having been kept separate, its business is not included in this report.

## The equipment consists of: —

_ =	
Locomotives	Officers' Car 1
Passenger Coaches 42	Pay Car 1
Parlor Cars 2	Boarding Car 1
Smoking Cars 3	Short Caboose Cars 4
Long Caboose Cars 2	Dump Cars 12
Flat Cars193	Stone Cars 9
Box and Combination Cars358	Sleeping Car 1
Stock Cars 16	Wood Car 1
Excursion Cars	Push Cars
Baggage Cars 11	Hand Cars
Passenger and Baggage Cars 1	Pile Driver Car 1

Ten first-class passenger coaches and two caboose cars were added to the rolling stock during the year. Eleven box cars, built in 1864, were torn down; also three flat cars, built in 1863, and combination cars constructed in their stead. Two short stock cars were rebuilt into combination cars. Engines and cars in general have been kept in first-class condition and working order.

The traffic for the year 1882 as compared with 1881 was as follows:—

TRAIN MILES.	1882.	1881.	Increase.	Decrease.	Per Cent.
Passenger	350,512	347,045	3,467		0.99
Freight	151,390	148,950	2,440		1.63
Service	158,306	161,611		3,305	2.04
Total	660,208	657,606	2,602		0.39
No. Passengers Carried	535,095	480,133	54,962		11.44
Tons of Freight Moved	301,859	278,350	23,509		7.78

The earnings for the year 1882 as compared with 1881 were:—

	1882.	1881.		ncrease or ecrease.	Per Cent.
Freight	672,295 16	628,858 30	Inc.	\$43,436 86	6.90
Passengers	531,240 83	475,443 06	"	55,797 77	11.73
Mail	12,511 62	12,400 56	"	111 06	.88
Express	13,767 80	12,822 28	"	945 52	7.37
Miscellaneous	27,583 94	28,490 58	Dec.	906 64	3,18
Total	\$1,257,399 35	\$1,158,014 78	Inc.	\$99,384 57	8.49
Operating Expenses	614,891 78	587,125 26	"	27,766 52	4.72
Earnings over Opr. Expenses	642,507 57	570,889 52	Inc.	71,518 05	12.52
Gross Earnings per Mile	7,132 15	6,568 43	"	563 72	8.58
Earnings over Op. Exp. per Mile	3,644 39	3,288 17	"	406 22	12.54
Per cent. of Opr. Expenses	48 90	50 70	Dec.	1 90	·

The earnings show an increase of 8.49 per cent over 1881, with an increase of 4.72 per cent in operating expenses.

The operating expenses were 48.90 per cent of the earnings, against 50.70 per cent in the previous year, being a decrease of 1.90 per cent.

For details relative to the Freight and Passenger business, reference is made to accompanying reports from those Departments.

Locomotive service cost \$165,213.97, equal to 25.01 cents per mile run, a decrease of  $\frac{20}{100}$  cents. Miles run to one ton of coal, 51.68, against 57.16 in previous year.

The track has been kept in excellent condition; 16½ miles of steel rails have been laid in main line south of San José; and 2,908 feet of new side track. Number of new ties used in main line during the year 22,562.

The bridge over the Pajaro River, 432.8 feet in length (350 of which was Howe truss) has been rebuilt and changed to a deck bridge. The center pier was substantially rebuilt, the foundations strengthened and the bridge covered. The cost of this work was \$18,825.25. Three bridges have been constructed over road crossings in San Francisco County. The Mission Bay Wharf has been widened and another track laid, and the entire wharf placed in good condition. Colma and Ocean View stations have been rebuilt and additions made to each.

At Gilroy a round-house with three stalls has been constructed; also two water tanks of 20,000 gallons' capacity each, with pump house; also a turn-table and coal-shed and platform 25x263 feet.

At the Mission Bay Wharf, San Francisco, during the year, eighty vessels have been loaded with 68,829 tons of grain and flour, as against 63,445 tons in 1881.

The completion of the Loma Prieta Railroad, a feeder five miles in length, and the broad gauging of the Santa Cruz Railroad, both of which, at the present writing, are in progress, will undoubtedly add greatly to the business of the main line.

Travel to and from Monterey Bay is steadily increasing, and promises in the near future to become a most important part of our passenger traffic.

All trains have been moved promptly and safely, and no accidents have occurred, causing injury to passengers or the Company's property.

Respectfully,

A. C. BASSETT,

Superintendent.

			[	3	12	j									
		sd1-lar	28,015,776	25,378,728	29,952,945	30,399,845	34,668,314	38,439,432	42,737,059	53,817,842	58,923,431	54,085,303	37,664,877	32 951,347	7,791,892 389 2,515,188 69,173,715 467,034,899
		Merchandise. Lbs.	2,777,587	3,108,740	3,957,107	4,396,770	8,237,042	9,050,921	6,946,077	9,712,645	6,629,619	5,532,821	4,498,506	4,325,880	69,179,715
1882.		.ed.I -looW		307	1,030	347,843	1,042,191	38,104	10,026	48,831	621,384	350,091	49,960	5,421	2,515,188
st.,		Wood-Curs.	133	27	17	17	22	23	51	20	36	42	33	45	389
ıber 31.		Vegretables. Lbs,	306,069	177,726	590,261	115,309	125,534	214,170	31,954	5,969	424,983	1,904,296	2,943,148	1,022,473	
ie.		Tan Bark-Cars	:	:	H	89	3	:	1	80	177 16	107 10	:	:	23
Dec		Stock-Cars.	255	176	123	130	291	362	375	246	177	107	113	78	2,400
811.		Shingles—M.		200	122	30	116	1,018	999	2,052	2,181	3,500	1,358	1,999	13199
r endi		Quicksilver. Lbs.	172,541	110,359	242,141	155,457	169,634	232,488	207,731	223,158	146,594 2,181	200,440 3,500	157,563 1,358	97,756 1,999	2,115,922 13199 2,403 33
rea .		Pickets-Cars.	69	-	- 5	101	-	7	90	- ;	1-	1-	777	rG.	80
ON.) r the		Milk—Pps.	492,810	479,340	523,201	507,780	528,840	492,570	509,030	520,740	522,780	555,000	561,910	605,610	6,299,611
(NORTHERN DIVISION.) and South, for t	ктн	Lumber-Ft.	173,656	238,478	457,382	168,304	457,566	708,364	733,344	814,366	984,070	390,636	375,898	152,822	5,654,886
ORTHER)	NORT	Lime-Lbs.	213,350	559,260	541,870	545,210	576,515	293,940	142,165	459,760	10,000	433,160	489,780	660,180	4,925,190
S a		Hay-Cars.	75	100	128	103	88	313	351	461	394	199	137	127	347
(northern division.) Report of Freight forwarded North and South, for the year ending December 31st., 1882.		Grain—Lbs.	15,441,717	12,750,013	15,584,821	16,585,884	11,186,632	11,272,924	13,415,069	20,802,054	29,965,981	31,308,034	19,733,338	17,203,143	5,287,114 6,212,701 215,199,610 2,347 4,925,190 5,654,886 6,209,611
rwara		Fruit-Lbs.	282,882	99,604	70,883	39,513	48,445	108,835	318,731	802,900	1,956,257	,579,112 1,657,901	516,541	310,209	6,212,701
eight fa		Flour-Lbs.	1,272,524	987,266	1,311,494	355,835	2,308,073	301,316	2,476,832	1,248,834	1,358,408 1,956,257	1,579,112	368,668	1,718,782	15,287,144
$F_{\mathbf{Z}}$		F. Posts-Cars.	7	н	- 4	7	00	*	Г	6	t-	20	643	0.1	22
rt of 1		Coal-Lbs.		20,000 1	25,430		· · · · · · · · · · · · · · · · · · ·		********	**********	48,050	********	********	********	93,480 33
Repo		Charcoal-Lbs.	-	*****	-	******	2,887		******	*****	18,480	31,652	28,510	79,076	160,605
7		Brick-Lbs.	208,500	98,440	169,470	1,729,580	497,840	1,631,290	981,680	3,460 1,288,810.	600,450 18,480	1,105,570 31,652	809,710 28,510	848,140 79,076	Totals 3,460 9,964,480 160,605
		Asphaltum, Lbs,	Ť		******		:		****	3,460		- 1		*****	3,460
		SHTNOM.	Jan	Feb	March	April.	May	June.	July	Aug	Sept .	Oct	Nov.	Dec	Totals

10,479,442 488 3,037,757 152,865,058 003,718,375	152,865,058	3,037,757	488	10,479,442	036	2,46	16620	2,115,922 16620 2,460 36	82	6,299,611	10,256,026	5,395,608 10,256,026 6,299,611	2,537	218,478,391	7,928,380	18,316,178	280	15,087,89	166,505	4,780 10,562,760 166,505 15,087,892 80 13,316,178 7,928,380		Grand
136,683,476	83,691,343	522,569	66	2,687,550	57 8	10	3,431		49	***************************************	4,601,140	470,418	190	3,278,781	1,715,679	5,900 14,991,412 47 8,029,034	14	14,995,41		598,280	1,320	Totals
8,403,869	5,003,047	95,409	10	175,364	01		46		49		287,706	29,100	9	374,853	40,659	214,736	0 1	914,530				Dec
11,986,838	7,576,130	46,737	16	405,098	-		110		10	the section is	164,894	69,205	6	551,412	67,163	260,534	80	520,530	300			Nov.
13,511,273	6,344,707	12,500	F=	288,917	1	1	540	********	31	4,75544	724,392	24,195	14	305,395	875,918	395,605	9	2,120,234	430	20,000	:	)ct
12,758,698	7,430,575	133,532	16	192,786	:		387	00000	9		493,912	63,615	11	111,643	354,433	259,292	.03	1,555,250		111,480	******	Sept
13,769,397	9,053,166	32,656	26	155,237	200	-	413		24	******	388,416	58,955	50	245,428	503,591	339,948	9 0	698,550		***************************************	*****	Aug
15,765,462	9,695,748	13,179	15	98,117	10		64		10	*******	349,818	37,772	13	256,006	179,662	245,745	8	3,382,070		*********		July
17,182,734	9,482,597	19,116	:	150,743	63	7	548		00		330,066	24,435	21	322,586	76,263	275,279	6	4,508,470		76,800	1,320	June.
10,023,277	6,337,256	47,113	6	185,124		•	672	********	4	*********	402,810	61,615	67	267,649	24,941	312,984		322,360	******		:	May
10,009,616	7,146,387	15,662	:	210,528	:		161		C1	* * * * * * * * *	379,972	21,955	50	128,413	22,928	1,1,681		363,960	*******	*****		April.
8,292,964	5,752,206	87,829	:	219,384	:		251		3		327,842	41,105	61	128,108.	16,425	166,712	1 00	191,448	2,100		******	March
6,290,672	4,103,951	34,024	1	304,983	:		6	*********	:		181,066	11,565	13	147,386	28,035	212,487	8	379,340	2,470	000'06	*****	Feb
8,688,676	5,765,273	34,818	1	301,269	9		191	********	1	*** ****	270,246	26,901	01	439,802	24,761	174,031		137,670	******	300,000	*****	an

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CHAS. J. ROBINSON, Auditor.

NORTHERN DIVISION.

# Statement showing the total amount of Freight moved in the following years.

ARTICLES.	In What Form.	Year ending Dec. 31, 1879.	Year ending Dec. 31, 1890.	Year ending Dec. 31, 1881.	Year ending Dec. 31, 1882.
Asphaltum	Tons.	245	19		2
Brick	M.	228	1,461	1,588	2,347
Charcoal	Tons.	28	34	32	83
Coal	Tons.	4,982	5,475	9,524	7,544
Fence Posts	Cars.	39	32	43	80
Flour	Tons.	2,258	8,237	4,498	9,158
Fruit	Tons.	4,650	4,211	3,969	3,964
Grain	Tons.	58,959	77,997	90,894	109,239
Hay	Bales.	171,600	194,480	220,240	202,960
Lime	Tons.	931	2,447	2,246	2,698
Lumber	Feet.	6,624,072	9,054,486	7,470,178	10,256,026
Milk	Gallons.	551,329	541,587	554,532	629,961
Pickets	Cars.	71	103	84	87
Quicksilver	Flasks.	40,191	11,785	15,748	23,510
Shingles	M.	3,445	8,318	13,738	16,620
Stock	Cars.	1,785	1,677	2,901	2,460
Tan Bark	Cars.	21	73	31	36
Vegetables	Tons.	5,065	5,365	7,078	5,240
Wood	Cords.	2,720	3,504	4,360	3,904
Wool	Tons.	1,405	1,576	1,563	1,519
Unenumerated Articles	Tons.	40,782	57,549	75,474	76,433
Total	Tons.	180,331	228,653	278,350	301,859

CHAS. J. ROBINSON,
Auditor.

NORTHERN DIVISION.

# Classification and Tonnage of Freight moved for the year commencing January 1st, and ending December 31st, 1882.

	IN WHAT	NORTI	HWARD.	SOUTE	IWARD.	TOT	ral.
CLASSIFICATION	FORM.	NUMBER.	POUNDS.	NUMBER.	POUNDS.	NUMBER.	POUNDS.
Asphaltum	Pounds.		3,460		1,320		4,780
Brick	М.	2,214	9,964,480	133	598,280	2,347	10,562,760
Charcoal	Pounds.		160,605		5,900	<b> .</b>	166,505
Coal	Pounds.		93,480		14,994,412		15,087,892
Fence Posts	Cars.	33	660,000	47	940,000	80	1,600,000
Flour	Pounds.		15,287,144		3,029,034		18,316,178
Fruit	Pounds.		6,212,701		1,715,679		7,928,380
Grain	Pounds.		215,199,610		3,278,781		218,478,39
Нау	Bales.	187,760	46,940,000	15,200	3,800,000	202,960	50,740,000
Lime	Pounds.		4,925,190		470,418		5,395,608
Lumber	Feet.	5,654,886	19,792,101	4,601,140	16,103,990	10,256,026	35,896,091
Milk	Gallons.	629,961	6,299,611			629,961	6,299,611
Pickets	Cars.	38	760,000	49	980,000	87	1,740,000
Quicksilver	Flasks.	23,510	2,115,922			28,510	2,115,9 <b>2</b> 2
Shingles	M.	13,199	2,639,800	3,421	684,200	16,620	3,324,000
Stock	Cars.	2,403	18,060,000	57	1,140,000	2,460	49,200,000
Tan Bark	Cars.	33	660,000	3	60,000	36	720,000
Vegetables	Pounds.		7,791,892		2,687,550		10,479,442
Wood	Cars.	389	7,780,000	99	1,980,000	488	9,760,000
Wool	Pounds.		2,515,188		522,569		3,037,757
Merchandise	Pounds.		69,173,715		83,691,343		152,865,058
Fotal			467,034,899		136,683,476		603,718,37

CHAS. J. ROBINSON,

Auditor.



## Southern Pacific Railroad.

(NORTHERN DIVISION.)

## GENERAL FREIGHT OFFICE, SAN FRANCISCO, May 1st, 1883.

A. C. Bassett, Esq.,

Supt. and Gen. Frt. Agt. Northern Div. Southern Pac. R. R.,

SIR:-

Below please find statement of freight business for the year ending December 31st, 1882, as compared with previous year:—

	1881.	1882.
Tons Hauled	278,350	301,859
Tons Hauled One Mile	19,570,459	21,897,984
Freight Earnings	<b>\$</b> 628,858.30	\$672,295.16
Per mile operated	<b>\$3,</b> 567.18	<b>\$3,813.3</b> 6
Per ton per mile	3,21 ets.	3, fn cts.

For classification and tonnage of freight in detail, see report of the Auditor.

Respectfully,

E. J. MARTIN, JR.,

Asst. Gen. Freight Agt.



## Southern Pacific Railroad.

( NORTHERN DIVISION.)

GENERAL PASSENGER AND TICKET DEPARTMENT, SAN FRANCISCO, June 20th, 1883.

A. C. Bassett, Esq.,

Supt. Northern Div. S. P. R. R.,

SIR: -

I submit herewith report of passengers transported over the "Northern Division" of the road during the year ending December 31st, 1882, together with statement of passengers carried during the years 1879, 1880, 1881 and 1882.

Respectfully,

H. R. JUDAH,

Asst. Pass. and Tkt. Agt.



LAND AGENT'S REPORT.

JEROME MADDEN.

#### SOUTHERN PACIFIC RAILROAD.

(NORTHERN DIVISION.)

## Passenger Movement for the Year ending December 31st, 1879.

Classification.	Southward.	Northward.	Total.	Passengers Hauled One Mile.	Average Distance Traveled by Each Passenger.
Local	32,509}	118,385 7,895 32,515½ 46,750	240,019½ 15,110 65,025 93,499	7,921,346 1,309,965 1,835,069 2,273,332	33,9% Miles. 86,7% " 28,7% " 24,3% "
Totals	208,108	205,5451	413,6531	13,339,712	32 <sub>105</sub> Miles.

## Passenger Movement for the Year ending December 31st, 1880.

Classification.	Southward.	Northward.	Total.	Passengers Hauled One Mile.	Average Distance Traveled by Each Passenger.
LocalConnecting Lines ExcursionCommutation	130,592½ 5,637½ 40,624 46,858	127,734½ 6,097½ 40,712 46,862	258,327 11,735 81,336 93,720	9,161,291 889,782 2,803,298 2,161,434	35,45 Miles. 75,45 " 34,45 " 23,45 "
Totals	223,712	221,406	445,118	15,015,805	$33_{1}^{7}$ Miles.

## Passenger Movement for the Year ending December 31st, 1881.

Classification.	Southward.	Northward.	Total.	Passengers Hauled One Mile.	Average Distance Traveled by Each Passenger.
Local	140,8171	138,583	279,4001	10,379,282	37,160 Miles.
Connecting Lines		8,125	15,905	1,057,428	66,8% ''
Excursion	48,225	48,300	96,525	3,467,106	35 93 "
Commutation	44,148	44,154	88,302	2,027,579	66165 '' 35787 '' 22186 ''
Totals	240,971	239,162	480,133	16,931,395	35,26 Miles.

## Passenger Movement for the Year ending December 31st, 1882.

Classification.	Southward.	Northward.	Total.	Passengers Hauled One Mile.	Average Distance Traveled by Each Passenger.
Local Connecting Lines Excursion Commutation	56,766	150,071 9,748 56,890 49,386	302,684 19,984 113,657 98,770	11,403,531 1,335,258 4,512,054 2,106,508	37 <sub>1</sub> 67 <sub>0</sub> Miles. 66 425 " 39 <sub>1</sub> 76 " 21 <sub>1</sub> 85 "
Totals	268,9981	266,0961	535,095	19,357,351	36 <sub>1</sub> <sup>18</sup> / <sub>65</sub> Miles.

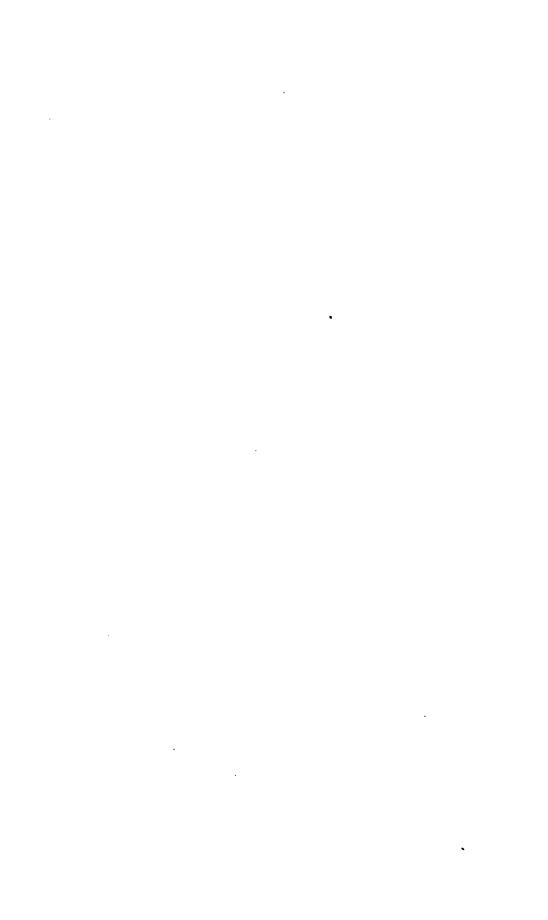
## Recapitulation.

#### PASSENGERS CARRIED.

Classification.	1879.	1880.	1881.	1882.
Local	240,019½ 15,110 65,025 93,499	258,327 11,735 81,336 93,720	279,4001 15,9051 96,525 88,302	302,684 19,984 113,657 98,770
Totals	413,6531	445,118	480,133	535,095

H. R. JUDAH, Assistant Passenger and Ticket Agent. LAND AGENT'S REPORT.

JEROME MADDEN.



## Southern Pacific Railroad.

Land Department Southern Pacific Railroad, San Francisco, California, December 31st, 1882.

To the President and Directors of the Southern Pacific Railroad Company,

GENTLEMEN: — The following statement shows the operations and condition of the Land Department of the Southern Pacific Railroad Company from its organization to December 31st, 1882, and suggests its prospects for the future: —

The Land Grant from the United States Government to the Company, as shown by previous reports, is as follows:—

Act of July 27th, 1866, 12,800 acres per mile for 58774 miles.	7,523,072
Act of March 3d, 1871, 12,800 acres per mile for 34696 miles.	4,441,088
Total acres	11,964,160
Deduct for lands granted and reserved by Government and for	
those taken by settlement previous to dates of Southern	
Pacific Railroad Acts	1,518,933
Net total acres	10,445,227

The value of these lands at the Government minimum price for adjoining lands (\$2.50 per acre) would be \$26,113,067.50.

A very large portion of them is choice agricultural and timber land, and will command a much higher price.

Five hundred and seventy-nine and twenty-hundreths (57920) miles of the main lines of the road (those to which the lands are granted) have been constructed, and the Government has accepted them. Part of the main line (24251 miles), from Mojave Station to the Needles on the Colorado Ríver, is in process of extension. 120 miles have already been constructed. The remainder will be finished by July next.

The patents for land received from the United States Government by the Company are as follows:—

In San Francisco U. S. Land District	$16,206^{34}$	acres
(In Counties of Santa Clara, San Benito and northern part of Montere		
In Stockton U.S. Land District	$64,832^{43}$	"
(In western part of Counties of Stanislaus and Merced.)		
In Visalia U.S. Land District	$958,\!911^{68}$	"
(In Counties of Fresno, Tulare and Kern.)		
In Los Angeles U. S. Land District	$105,\!053^{35}$	"
(In Counties of Los Angeles, San Bernardino and San Diego.)		
(D + 3 - 3 - 6	7 7 4 7 0 0 0 0 0 0	
Total number of acres	1,145,003∞	"

Lists of further selections of railroad land in the counties of Fresno, Tulare, Kern, Ventura, Los Angeles, San Bernardino and San Diego will be made during the coming year, and upon receipt of patents the tracts will be appraised and offered for sale.

A tabulated statement of the entire transactions of this Department is hereto attached.

I take great satisfaction in reporting, that during the past year California has made great progress in all branches of industry, more especially in agriculture and horticulture. Her population has increased and is rapidly increasing from a steady stream of immigrants, chiefly of the industrial classes, from the Eastern States and Europe. Henceforward the flow will be greatly augmented in consequence of energetic steps by the Southern Pacific and Central Pacific Railroad Companies to encourage emigration from Europe and other countries to

California. As time advances, the ratio of this immigration will become greater until it will reach millions; for rates of passage will be so low as to be within the reach of all who may wish to avail themselves of opportunity to leave places where the possibilities of making a living are comparatively few, and come to a country where comfort and competence can be secured with but little effort.

Demand for land is quite brisk. Many persons are seeking small tracts of 100 to 200 acres for "mixed farming." farms, when well cultivated and carefully managed, are found to be quite profitable. They have a small orchard, and probably an orange grove and vineyard, wheat, barley, potatoes and other vegetable products, a few cows and pigs, and a stock of poultry. The owner is in a sense self-supporting, growing nearly all he requires for his table, and having a little of everything to sell. His profit is almost always sure, and, in proportion to the area cultivated, double that of the wheatgrower, who sometimes is not certain of getting a crop, and when he has one is often compelled to sell it at a low price. On these farms, all the comforts and independence can be obtained that are enjoyed by the farmer of the New England and Middle States, without any of the inclemencies of the weather that often make life a burden in that country. soil in California is more productive, the prices for all kinds of farm produce are better, while the lands are much cheaper than those of corresponding fertility and situation in the Eastern States.

The increase in the size of vineyards is quite remarkable. Four years ago a plantation of two hundred acres was considered very large. Now vineyards of 500 to 1,000 acres are common. Lately one of 1,500 acres has been planted near Los Angeles. And it is believed by those who are competent to judge, that in a short time there will be planted here vineyards of 5,000 to 6,000 acres each. It is supposed that there are at present about 100,000 acres under vines, all of which will be in bearing in four years from this time, with a possible production of forty million to fifty million gallons yearly, provided all the grapes be pressed for wine. The desire to plant

more vineyards is almost universal, so much so as to warrant the opinion that before twenty years the acreage under vines in California will be larger than in any other country. It is estimated that an acre of vines arrived at full bearing will have cost \$125 in five years. It will commence to give return in three years, and afterwards will yield with proper care ten tons of grapes annually, which can as readily and certainly be sold (\$20 per ton) as the farmer can sell his wheat, and far more profitably. Wine finds a market in all the countries of the world; and the demand for it is constantly becoming greater.

Large quantities of grapes are converted into raisins, some equal in every respect to those of Malaga; and this industry has been found most remunerative. In curing raisins, the labor of women and children can be profitably utilized. G. G. Briggs, of Davisville, a pioneer fruit-grower, extensively engaged in that business, writes of his raisin vineyard thus: "I have picked the grapes of 450 acres of vines and made the most of them into raisins. The remainder of my 1,000 acres of vineyard is not yet in bearing. Of the vines picked 250 acres averaged a full crop, being over three years old and in full bearing; 100 acres were injured by the grape-worm, yielding only about one-tenth of a crop; and the remaining 100 acres were young vines, two or three years old, which gave about one-third of a crop. Of the grapes from these 450 acres were made 50,000 boxes of raisins of 20 pounds, or one million pounds; three-fifths of them first-class, sold for \$1.75 per box, and two-fifths second-class, at \$1.40. Some were in half and quarter boxes and sold a little higher, so that the whole crop of raisins brought \$80,000. From the same vines, 100 tons of fresh grapes were sold at \$20 a ton, making \$2,000; and the sales of fruit, green and fresh from my orchard, amounted to \$18,000, making an income of \$100,000."

The same industry on a small scale, when the management is good, produces equally favorable results in almost all parts of California. One instance will suffice: Miss M. F. Austin's Hedge Row Farm in Fresno County consists of 80 acres, — 45 of vineyard, 10 of alfalfa clover (for fodder), 20 of fruit,

peaches, pears and nectarines, etc., and 5 for house grounds, kitchen garden, buildings, etc. The farm and business are entirely managed by two ladies, who six years ago knew nothing about any kind of out-door labor. At that time they bought the land and without previous experience commenced fruit growing. Large quantities of excellent raisins and other kinds of fruit are sold every year from this farm, and furnish an income which not only secures competence but riches.

In Los Angeles, San Bernardino and San Diego Counties the culture of oranges is carried on very extensively, and with most gratifying results. When the fruit is good the profits are large and certain. About 70 trees are planted to the acre; and the average yield of a fully matured tree is about 700 oranges, worth \$9 at present prices, or say \$600 per acre. An orange tree will reach the age of 100 years or more; and it is said the yield will continue to improve during that period.

There are several trees that have borne in one year as many as 7,000 or 8,000 oranges. The orange trees in California are cultivated now with much more care than formerly, being fertilized regularly, pruned and watched very closely. It is probable, that under this intelligent treatment they will produce more plentifully, more regularly, live longer and give better quality of fruit.

The Company has in all the counties through which its road runs, but chiefly in the counties of Fresno, Tulare and Kern, land suitable for wine and raisin grapes, for oranges and all the other kinds of fruits. In Fresno county a good deal of railroad land in the valley has been sold; but a large quantity still left, both in the valley and foot-hills, is open to purchase, while in Tulare and Kern counties the Company has hundreds of thousands of acres yet unsold. The foot-hill lands, the valleys of which are known to be the best for fruit culture, are rated at low figures, generally \$2 50 per acre, and less when a large quantity is bought for stock ranges or other purposes. The price is low because they are comparatively remote (20 to 25 miles) from the line of the railroad, which generally runs through the centre of the large valleys. These lands, formerly considered fit only for cattle and sheep ranges, are

settling with a thrifty and industrious population, engaged mostly in "mixed farming," the dairy business and production of honey.

Year by year the area of irrigation in California is rapidly The waters of the rivers are diverted through canals and ditches and distributed over large districts, the lands in which were formerly barren only because they were The character and appearance of these localities have within ten years, by means of irrigation, undergone a most wonderful change. Instead of dry plains fit only for pasturage of cattle in certain seasons of the year, there are now productive lands, well kept and prosperous farms, comfortable and happy homes, populous and thriving towns and villages, and every evidence of progress and abundance. As time shall advance, population become denser and the area of agriculture more extended, the increased demands for irrigation will be met by the construction of mountain reservoirs for storage of Moisture enough falls in the Sierra Nevada mountains to furnish abundance of water if properly stored, for the irrigation of all the lands in the great valleys of the Sacramento and San Joaquin, embracing an area of 32,000 square miles, and render them capable of sustaining many millions of With the unfailing and inexhaustible supply which can be obtained from this source, and the additional moisture and rain-fall which will result from cultivation of more extended areas and the general planting of fruit and shade trees, there need be no fears that California of the future will be a dry country.

Water for irrigation is also procured in many places in the valleys from flowing artesian wells. A great many of them have been bored in Santa Clara, Los Angeles and San Bernardino Counties, and quite a number in Fresno, Tulare and Kern Counties. The cost varies according to depth. It is usually from \$100 to \$800,—the latter figure being for a 500-foot well. A well of this depth can be bored by steam in 20 days. A large reservoir of artesian water has recently been discovered in the county of Tulare, within the Company's land grant, near the railroad, underlying a belt of country 40 miles

long from King's River to Deer Creek, and 12 miles broad from the railroad to Tulare Lake. There are within these limits about 20 flowing wells, some of which throw up large quantities of water. All lands here a few years ago, although of good quality, were dull of sale in consequence of the uncertainty of a sufficient rain-fall to mature crops, and the supposed impossibility of procuring from other sources a supply of water for irrigation. Now, however, there is a demand for them at higher prices. The purchasers intend immediately to bore artesian wells and make homes; and there is every prospect that before the close of the coming year this district will be settled up with a large and prosperous community. advantages of an artesian well over an irrigating canal are, that it is the sole property of the person to whom the land belongs, and he can use the water whenever and wherever he pleases, without interference from his neighbor's ditch superintendent or any one else; there are no assessments to pay for keeping it in repair; there is no fear of the failure of crops; and the owner of a good well is independent of the dry Some experienced well-borers assert that flowing artesian water will be found in proximity to and along the line of the railroad in Kern County. Such a discovery, which is quite probable, would enhance the value of large quantities of excellent railroad land in that county.

Notwithstanding this has been a year of partial drought, the crops of California have been fully up to the average, as will be seen from the following statistics of part of the products for 1882:—

Wheat32,000,000	bushels.
Barley 9,000,000	bushels.
Beet Sugar 1,000,000	pounds.
Wool40,000,000	pounds.
Wine10,000,000	gallons.

Fruit in great quantities has also been produced, including almonds, walnuts, apples, apricots, pears, peaches, nectarines, oranges, lemons, etc. Large shipments have been sent by rail to the Eastern States, and a still larger amount has been put up in cans for domestic use and export. Hops of fine quality

have also been extensively grown. Prices have been so high that growers have done well, while many have realized independent fortunes.

The foregoing will give an idea of some of the great resources of California, and of the conditions which are factors in the business of this Department, and a hint of possibilities for the future. In California, lands are now cheap. Every industrious man can easily make for himself a good home with assurance of independent living. The broad table-lands and rich valleys are rapidly filling up with population. Improved methods of agriculture and horticulture, which enterprise and the discovery of new resources will suggest, will bring into subjection large tracts of land which are now deemed to be worthless. Altogether, the business prospects of this Department seem very bright.

Respectfully, &c.,

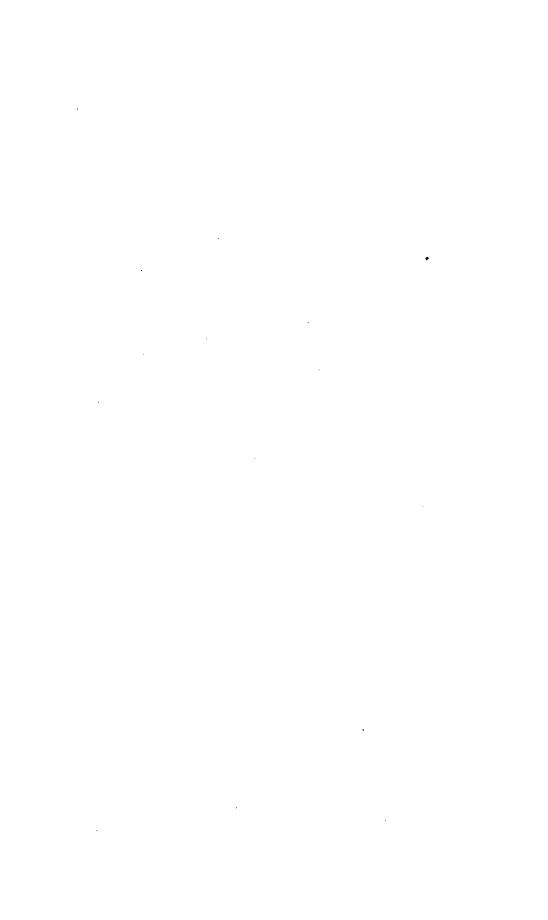
JEROME MADDEN,

Land Agent.

## ANNUAL STATEMENT 1882.

## Statement of the business of the Land Department Southern Pacific Railroad Company.

Nu	mber of A	cres Sold, as	follows :	_		Sales to Dec. 31, 1881, inclusive.	to Dec. 31, 1882, inclusive.	Total.
						Consideration.	Consideration.	Consideration.
	138,661.1	3 for Cash, a	mounting	to		. \$ 303,620 37	<b>\$</b> 91,540 96	
Total	.153,429.0	3 "	16	<b>"</b>		.		\$ 395,161 23
			"	<b>"</b>	• • • • • • • • • • •	. \$ 1,955,382 10	<b>\$ 403,392</b> 76	
Total	.451,608.9	 B <u>1</u> "	"	"		.		\$ 2,258,774 86
Number of Acres Sold, as follows:	\$ 2,653,936 09							
-								
						T	From	1
						mencement of	Jan. 1, 1882,	Total Receipts to
								Dec. 31, 1882, inclusive.
First Pa First Y	syment on ear's Inte	Time Contrac rest on remain	ets der, due c	n Time (	Contracts.	374,972 44 121,667 46	79,561 30 21,166 36	\$ 395,161 23 454,533 74 142,833 82
	**		44	"	"	44 507 15		53,166 53
	"		"	**	"			34,720 12
	"	**	"	"	"			25,506 08
						.   11,546 30		12,584 37
								5,088 79 986 01
Eighth Remain		chase money					133,113 79	463,148 18
	•						387,968 43	1,691,514 59
		to be applied l Lands					44,814 60	201,881 70
		e, etc						1,911 75
		t of Way for						114 20
	o ioi ingi		country 1	tour, or				



CHIEF ENGINEER'S REPORT.

GEO. E. GRAY.



## Southern Pacific Railroad.

Office of Chief Engineer, San Francisco, Feb. 20th, 1883.

To the President and Directors of the Southern Pacific Railroad:—

Our annual report for the year ending December 31st, 1881, gave  $714_{100}^{10}$  miles of completed road.

In that report we stated that surveys from Mojave to the Needles, near the Colorado River, were in progress and that construction would soon be commenced. Since that report the construction has steadily progressed, and, on the 31st day of December 1882, there had been 131 108 miles completed.

This gives the completed road at that date as follows: —

Fron	San Francisco to Tres Pinos		
"	Carnadero to Soledad	60.40	"
"	Huron via Goshen, Mojave and Los		
	Angeles, to the Colorado River near		
	Yuma	528.56	"
. "	Los Angeles to San Pedro	<b>24.65</b>	"
"		131.08	"
	Total	845.18 n	niles.

It is confidently anticipated that the track to the Colorado River crossing, to connect with the Atlantic and Pacific Railroad, will be completed by the 1st day of April, 1883.

List of station buildings and other structures, as existing on December 31st, is hereto appended.

Respectfully submitted,

GEO. E. GRAY,

Chief Engineer.

## LIST OF STATION BUILDINGS, WATER AND FUEL STATIONS, ETC.

STATIONS.	Passenger Buildings.	Combination (Freight & Passenger) Buildings.	Freight Depots and Warehouses.	Engine Houses. Stalls.	Machine Shops.	Car Repair Shops.	Car Sheds.	Section Houses, Employees' Dwellings, etc.	Section Tool Houses.	Stock Corrals & Schutes	Turn Tables-Wood.	Turn Tables-Iron,	Water Stations.	Fuel Stations.	Other Structures, incl'g
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STATIONS.	Passenger Buildings.	Combination (Freight & Passenger) Buildings	Freight Depots and Warehouses.	Engine Houses. Stalls.	Machine Shops.	Car Repair Shops.	Car Sheds.	Section Houses, Em- ployees' Dwellings, etc.	Section Tool Houses.	Stock Corrals & Schutes	Turn Tables-Wood.	Turn Tables-Iron.	Water Stations.	Fuel Stations.	Other Structures, incl'g
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TRUSTEES' REPORT.

D. O. MILLS-LLOYD TEVIS.



## Southern Pacific Railroad.

Report of Trustees under Mortgage of April 1, 1875.

San Francisco, January 1, 1883.

To the President and Board of Directors of the Southern Pacific Railroad Co.: —

We beg to submit the following report of transactions for the fiscal year of the Company ending December 31, 1882, viz:—

Balance on hand, as per Report of January 1st,		
1882, three hundred and six thousand four		
hundred and eleven $^{26}_{100}$ dollars	<b>\$</b> 306,411	<b>2</b> 6

Total..... \$ 694,379 69

**\$** 603,214 56

\$387,968 43

Leaving cash on hand January 1st, 1883..... \$ 91,165 13

D. O. MILLS, LLOYD TEVIS,









## OFFICERS

## Southern Pacific Railroad Co.

(OF CALIFORNIA,) 1882-3.

## DIRECTORS

CHARLES CROCKER, CHAS. F. CROCKER,

Moses Hopkins, W. V. Huntington,

CHAS. MAYNE, J. L. WHACUTT,

NICHOLAS T. SMITH.

President, - CHARLES CROCKER, San Francisco.

Vice-President, CHAS, F. CROCKER, San Francisco.

Treasurer, N. T. SMITH. San Francisco.

Secretary, - J. L. WILLCUTT, San Francisco.

Northern

Superintendent,

A. C. Bassett, - San Francisco.

Aset General Freight Agent.

E. J. MARTIN, Jr., - San Erancisco,

Ass't Passenger and Ticket Agent,

H. R. Judah, San Francisco.

Chief Engineer,

GEORGE E. GRAY, - San Francisco.

Land Agent,

JEROME MADDEN, - San Francisco.

General Agent, LELAND STANFORD,

San Francisco.

Agent and Attorney, C. P. Huntington, 23 Broad St., N. Y. City.

## →ANNUAL REPORT ↔

OF THE

BOARD OF DIRECTORS.

Southern Pacific Rапколо Со.

(OF CALIFORNIA)

TO THE

STOCKHOLDERS.

For the Year Ending December 3/st, 1883,

Sin Francisco (1. S. CROCKER & CO., PRINTERS VALA



## ANNUAL REPORT

OF THE

## BOARD OF DIRECTORS

OF THE

# Southern Pacific Railroad Co.

TO THE

## STOCKHOLDERS.

For the Year Ending December 3/st, /883.

San Francisco:
H. S. CROCKER & CO., PRINTERS.

1884.



## ANNUAL REPORT

OF THE

## President and Board of Directors

For the year ending December 31st, 1883.

Office of the Southern Pacific Railroad Company.

San Francisco, June 18th, 1884.

To the Stockholders:-

The report of the operations of the road for the fiscal year ending December 31, 1883, is herewith submitted by your President and Board of Directors. The reports of the officers of the operating and financial departments are full, and show the condition of the Company at that date.

The liabilities and assets of the Company are as follows:—
CAPITAL STOCK.

The amount of the Capital Stock of the Com-	
pany authorized is	\$90,000,000
The amount subscribed to December 31, 1883,	
was	45,397,200
The amount paid in was	44,039,100

#### INDEBTEDNESS.

The Debts of the Company at the same date were:			
Funded Debt,—			
1st Mortgage Bonds, as per Statement No. 5,	\$ 33,650,000	00	
Sinking Fund,—			
to be applied to the redemption of Bonds under conditions of mortgage	206,000	00	
Trustees of Mortgage,—			
to be applied to the redemption of Bonds	122,164	<b>58</b>	
Amounts due by the Company, as follows:			
For payment of Taxes in litigation \$453,94	5. <b>44</b>		
Accounts due to sundry parties 141,074			
	<b></b> 595,019	66	
Total	\$34,573,184	24	
ASSETS.			
The Assets of the Company on December 31, 1883, consisted of railroad and telegraph line, with sidings, turn-outs, turn-tables,			
round-houses, depots, wharves, piers, etc.	\$74.750.949	04	
Equipment for same	3,133,377		
Real Estate, depot grounds, etc., including an undivided half-interest in 60 acres of land	-,,		
in Mission Bay, San Francisco	<b>7,643,922</b>	24	
Shop Tools and Machinery	62,508	<b>2</b> 0	
Road Tools	<b>8,334</b>	<b>43</b>	
Material for Repairs	92,099	96	
Fuel	16,847	95	
Office and Station Furniture, Telegraph In-			
struments, etc	67,696	<b>32</b>	
Cash	<b>4</b> 00,5 <b>4</b> 5		
Sundry Accounts due the Company	1,100,855	65	
Amount in hands of Trustees,—			
to be used for redemption of bonds	122,164	<b>58</b>	
Land Grant from U.S. Government,—			
estimated value of lands unsold	38,000,000	00	
Total	\$125,399,300	<b>7</b> 8	

#### EARNINGS AND OPERATING EXPENSES.

Statement No. 1 of the Secretary's Report shows the earnings of the Northern Division for the last fiscal year to have	
been	<b>\$ 1,282,512</b> 89
as against \$1,257,399.35 the preceding year	r.
The Operating Expenses were	658,870 87
Thus leaving the amount of earnings over operating expenses	\$ 623,642 02
ern Division (in California), was	\$ 1,958,197 04
Making the total earnings for the yearin comparison with \$2,309,173.57 for the an increase that will in all probability be large that of the present year, judging by the busin far shown.	year preceding, ely exceeded by

#### SOUTHERN DIVISIONS.

That portion of the old line under lease to the Central Pacific Railroad Company is being profitably operated, and we also look for a fair profit to the lessees on that portion of the road known as the Colorado Division—from Mojave to the Needles—now that it is in full operation and, by its junction with the Atlantic & Pacific Railroad, has so lessened the distance over the route formerly followed in reaching the Eastern connections: as also from the development of new business in the mining regions traversed by the new lines.

Respecting the operations of the new line, or the Colorado Division, I would refer to the net deficit after paying rental, as shown by letter from the lessees on page 10 of this report, and state that a claim was made by said lessees for a re-imbursement of the amount of said loss—\$234,211.83—the lease having been made with the expectation that connection would be made and the road opened for through traffic early in the year. The equity of the claim having been recognized, the same has been adjusted by paying to the Central Pacific Railroad Company the said amount.

### NORTHERN DIVISION.

Details of the business of the Northern Division will be found in the accompanying report of the Superintendent, to which you are respectfully referred. On this division; the broad-gauging of the Santa Cruz line, the opening of the Loma Prieta road from Aptos into the heart of the timber lands of the Santa Cruz Mountains and the increased accommodations at Monterey and other points are among the improvements which have been made in the past year.

### SECRETARY'S REPORT.

The Secretary's report embraces the usual statement of the earnings and operating expenses for the year as a whole and by months, a comparative statement of the same for the years 1880 to 1883 inclusive, a balance sheet of the books at the close of the last fiscal year, a detailed statement of the Funded Debt at same date and a statement of Profit and Loss.

The statement of Earnings of the road, as compared with the statements for the three previous years, shows a gratifying increase, as has been already stated; and the other statements, not more particularly mentioned hereafter, show a healthy condition of management and finances.

### ROAD.

The number of miles of road constructed up to December 31, 1883, was as follows:—

From San Francisco to Tres Pinos	100.49
From Huron (via Goshen) to the west bank of the	
Colorado River	528.56
From Los Angeles (via Wilmington) to San Pedro .	24.65
From Carnadero to Soledad	60.40
From Mojave to the Needles	242.51
Miles	956.61

### LEASED LINES.

Monterey Railroad,—	
from Castroville Junction to Monterey	15.12
Santa Cruz Railroad,—	
from Pajaro to Santa Cruz	21.20
Total miles in operation	992.93
of which 795.72 miles are operated by the Central under lease, and 197.21 by this Company.	Pacific,

### EQUIPMENT.

The rolling-stock of the Company has been increased during the year by the addition of twenty-one locomotives and some four hundred and forty-nine freight and other cars for the Southern Division, and one locomotive and eleven baggage and other cars for the Northern Division, and comprised on both divisions at the close of the year.

LOCOMOTIVES 72	Cars:—
Cars:—	Dump and Gravel 33
Passenger 100	Hand 155
Baggage, Mail and Express 18	Section 130
Box and Combination Freight.1,297	Other 1
Platform	
Stock and Caboose	2.116

### LAND GRANT.

Attention is called to the report of the Land Agent and its accompanying statement of the operations of the Land Department for the fiscal year, which show a steady increase in the demand for lands and give promise of large accessions to our population in the future by immigration, of increased facilities for the cultivation of our lands by improved methods and of great improvements and increase in our manufacturing and industrial pursuits; almost insuring to new-comers immediate support, with a prospect of future success in their investments.

### BONDED INDEBTEDNESS.

By the Trustee's Report and the statement of Funded Debt, it will be seen that the bonded indebtedness is being steadily reduced; bonds to the amount of \$300,000 having been canceled during the year and there being left in the hands of the Trustees on December 31st, 1883, the further sum of \$122,-164.58. Since the date of these reports there has been a further redemption of bonds to the amount of \$206,000 from the Sinking Fund, and an additional \$200,000 from proceeds of land sales, besides leaving in hands of the Trustees on 1st instant \$168,312.13, from which sum a further redemption of bonds to the amount of \$100,000 has been advertised to be made on the 20th of the present month.

### CONCLUDING REMARKS.

In the last report it was stated that our road on the 35th parallel line—from Mojave to the Colorado River at the Needles—was completed and awaiting connection with the Atlantic & Pacific Railroad. This connection has since been made, and the road was opened for business on the ninth day of August last.

With this new line and the line previously constructed on the 32d parallel via Yuma, connecting with the various roads in the south and southwest, thence extending to the principal cities in the United States through thickly populated districts, we look for that increased demand for California products and manufactures which will give constantly increasing employment and revenue to the southern divisions; while the northern division and its feeders, the Monterey R. R. at Pajaro, the Santa Cruz R. R. at Castroville and the Loma Prieta R. R. at Aptos—aided by the improvements elsewhere referred to—will contribute their full share to the earnings of the Company and show a marked increase over previous years.

We submit this report for your careful consideration in the belief that the future promises a constantly increasing revenue to your road and consequent enhancement in the value of its securities.

CHARLES CROCKER,

President.

### PRESIDENT'S OFFICE.

San Francisco, May 26th, 1884.

E. H. MILLER, Jr., Secretary Central Pacific R. R. Co.,

Dear Sir:-

In preparing the Annual Report to the Stockholders of this Company for publication, I would like from you a statement, similar in form to that which has been furnished the last three years,—showing the Earnings and Operating Expenses for the year 1883,—of that portion of our road under lease to your Company.

If you will please furnish the same at your early convenience, you will oblige,

Respectfully yours,

CHAS. CROCKER,

President.

### CENTRAL PACIFIC RAILROAD.

### SECRETARY'S OFFICE.

SAN FRANCISCO, May 27th, 1884.

CHARLES CROCKER, Esq.,

President Southern Pacific Railroad Co.,

Dear Sir:-

In response to your letter of 26th instant, I have to state that the operations of that portion of the Southern Pacific Railroad (of California) leased to this Company for the year ending December 31, 1883, were as shown in the following statement, namely:—

### ALL LINES EXCEPT COLORADO DIVISION.

HEE EINES EROELT COSCI	DO DIVINO			
Gross Earnings	. <b></b>	\$	3,880,065	16
Operating Experises				
Rental	1,650,600 00	. :	3,740,723	<b>55</b>
Net profit to Central Pacific R. R. Co.			\$139,341	61
COLORADO DIVI	SION.			
Gross Earnings			\$259,862	31
Operating Expenses				
Rental	307,597 04		494,073	64
Net deficit after paying rental			\$234,211	33

The net deficit, after paying rental on the Colorado Division, was on that portion of the road from Mojave Station to the Colorado River at the Needles, a distance of 240 miles, which now forms part of what is known as the Thirty-fifth Parallel Trans-Continental Line. This division was operated under a lease which was entered into with the expectation that the road would be opened for through traffic early in the year; but owing to delays caused by connecting lines, it was not so opened until near the close of the year, and cannot be said to have been established as a through line during 1883.

Very respectfully,

E. H. MILLER, Jr.,

Secretary.

### SECRETARY'S REPORT.

J. L. WILLCUTT.



### SECRETARY'S OFFICE.

San Francisco, May 20th, 1884.

CHARLES CROCKER, Esq.,
President.

Sir : -

I beg to hand you herewith Statements (numbered 1 to 7 inclusive) of the business of the road for the year ending December 31st, 1883, and of the financial condition of the Company at that date, all of which are respectfully submitted.

J. L. WILLCUTT,
Secretary.



### No. I.

# Statement of Earnings and Operating Expenses for the Year ending December 31st, 1883.

NORTHERN DIVISION.		•
EARNINGS.		
Freight Passenger Express Rental Storage Miscellaneous. Mail Telegraph Total Earnings	\$ 624,668 77 600,044 00 16,484 75 10,777 21 5,391 93 8,574 47 13,571 76 3,000 00	<b>\$</b> 1,282,512 8
OPERATING EXPENSES.		
Expense of Superintendents Station Service Train Service Locomotive Service Office Expense Stationery and Printing Advertising Water Service Repairs of Tools ""Track ""Buildings ""Engines ""Cars ""Engines ""Fences ""Fences Mail Service Loss and Damage (Property) Damages (Personal) Expense of Leased Road	\$ 5,716 52 83,236 56 82,726 54 172,048 24 40,609 88 9,040 61 9,419 80 6,699 22 4,389 58 110,783 01 11,510 96 32,556 42 50,165 09 12,040 54 4,677 86 758 66 758 66 752 50 926 00 412 73 20,400 00	
Total Operating Expense		658,870 8
Earnings over Operating Expense		\$ 623,642 0
southern división		
Rental of Leased Road		1,958,197 0
Total		\$ 2,581,839 00

J. L. WILLCUTT, Secretary.

# Zo.

Exhibit of Earnings and Operating Expenses by Months, for the Year Ending December 31st, 1883.

					EARNINGS.	NIN	ν.							
	January.	January. February.	March.	April.	May.	June.	July.	August.	August. September October. November December	October.	November	December	Total.	[
Freight	49,745 67	87,486 88	37,817 87	39,565 65	48,872 11	56,817 76	55,645 90	68,445 11	65,216 89	67,266 87	59,597 84	44,190 22	\$ 624,668 77	16
Passenger	32,747 24	30,638 50	37,787 11	46,476 72	57,105 75	68,280 88	70,449 10	64,901 72	56,517 60	52,842 53	42,132 48	41,164 42	600,044 00	]
Express	1,004 97	1,090 18	1,188 67	974 79	1,289 28	1,556 25	1,888 53	1,649 07	1,522 40	1,565 97	1,438 21	1,816 48	16,484 75	
Rental	1,204 72	961 22	947 22	946 22	978 72	901 19	698 72	859 42	784 57	791 07	778 07	836 07	10,777 21	
Storage	72 30	20 06	21 10	17 86	17 95	13 67	283 43	1,964 84	1,225 66	988 47	563 40	208 20	5,891 98	
Miscellaneous	833 26	467 36	626 46	289 42	361 75	1,153 50	298 16	1,438 37	725 69	745 77	1,083 82	16 099	8,574 47	
Mail	1,130 98	1,130 98	1,130 98	1,130 98	1,130 98	1,130 98	1,130 98	1,130 98	1,130 98	1,130 98	1,130 98	1,130 98	18,571 76	
Telegraph	350 00	250 00	250 00	250 00	250 00	250 00	850 00	250 00	250 00	250 00	360 00	250 00	8,000 00	
TOTAL AMOUNT 86,989 14 72,045 18	86,989 14	72,045 18	79,769 41	88,661 64	110,006 54	124,194 28	110,006 54 124,194 28 130,644 82 146,639 51	140,639 51	127,378 78 125,581 66 106,974 75	125,581 66	106,974 75	89,642.28	1,282,512 89	

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# J. L. WILLCUIT, Secretary.

Balance Sheet of General Ledger, December 31st, 1883.

Dr.

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\$ 80,277,136 20		\$ 80,277,136 20	
1,664,861 96	Profit and Loss		
·		400,545 16	Cash in hands of Treesurer
	\	1,100,855 65	Sundry Accounts due the Company
	\	67,696 32	Office and Station Furniture, and Telegraph Instruments
	\	16,847 95	Fuel
		92,099 96	Material in Shops and on Road
		70,842 63	Road Tools 8,334 43
•	Accounts due to sundry parties		Machinery and Tools in Shops 862,508 20
	+ Taxee in Suspense.	953,159 18	Buildings, and other Structures
122,164 68	Land Trust Fund	3,133,377 26	Equipment
<b>8</b>	First Mortgage Bonds.	695,022 24	Real Estate
\$ 44,039,100 00	By Capital Stock	\$ 73,746,689 86	To Construction

\* Used in redemption of Bonds, January Sist, 1884. † Reserve for payment of Taxes in Litigation.

J. L. WILLCUTT, Secretary.

		• Paid or provided for.	* Paid or provided for.
\$1,664,851 96	† By Balance brought down		
\$4,183,316 42		\$4,183,316 42	
		1,661,851 96	Balance December 31, 1883
43,645 27	Other Sources.	14,455 49	Other Accounts
300,000 00	Redemption of Bonds (through Sales of Lands, etc.)	100,000 00	Sinking Fund
2,581,839 06	Lease-Southern Division-Net 1,968,197 04	6,441 26	**Renewal of Track
	\$ 623,642 02	1,977,623 79	Interest
· · · · · · · · · · · · · · · · · · ·	Less Operating Expenses 668,870 87	250,478 74	* Taxes and Street Assessments
	Road Earnings (Northern Division, etc) \$ 1,282,512 89	29,254 26	Legal Expense
\$1,257,882 09	\$ 82,210 92 By Balance December 31st, 1882	\$ 82,210 92	To General Expense
CR.	Statement of Profit and Loss for Year Ending December 31st, 1883.	Loss for Y	Statement of Profit and
	4	No. 4.	

[ 19 ]

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			P'M MARCH	Funded Irds, Normales (1787, 1888).	1 terronal	W. C.	17.	12.		
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First Mortgage	. T.	Apr 1, 1873	"A" Apr 1, 1873 & 18,000,000 & 18,000,000	A 13, MM, MM	H (MIC INN)	1/11.1.1111	£	1 11/1 1 11/1 1	_	2
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No. 6.

# Comparative Statement of Earnings and Operating Expenses for the Years 1880, 1881, 1882 and 1883.

		NOR	THERN D	ivision.				
	Year December	Ending 31st, 1880.	Year : December	Ending 31st, 1881.	Year December	Ending 31st, 1882.	Year December	Ending 31st, 1883.
EARNINGS.		1111						
Freight Passenger Express Rental Storage Miscellaneous Mail Telegraph	12,344 50 11,121 10 8,215 02 5,312 05 12,371 92 3,000 00		\$ 628,858 30 475,443 06 12,822 28 11,791 31 6,101 87 7,597 40 12,400 56 3,000 00		\$672,295 16 531,240 83 13,767 80 11,497 27 6,063 51 7,023 16 12,511 62 3,000 00		\$ 624,668 77 600,044 00 16,484 75 10,777 21 5,391 93 8,574 47 13,571 76 3,000 00	
Total Earnings *		1,018,844 00	0.110.001	1,158,014 78		1,257,399 35		1,282,512 89
OPERATING EXPENSES.			-3					
Expense of Superintendents. Station Service. Train Service. Locomotive Service. Locomotive Service. Occuments Service. Stationery and Printing. Advertising. Water Service. Repairs of Tools.  "Track. Buildings. "Engines. Cars "Bridg's & Culverts Fences. Miscellaneous Expense. Mail Service. Loss and Damage (Property). Damages (Personal). Expense of Leased Road.	79,454 03 69,437 81 128,038 22 35,649 68 8,423 69 6,379 57 8,455 32 3,899 61 100,012 40 10,674 90 21,190 95 42,030 43 27,669 44 1,331 48 826 25 886 93 812 90		5,353 33 78,664 02 73,066 31 144,834 26 36,422 50 7,212 85 9,484 32 3,684 60 98,554 71 5,842 41 21,012 73 42,617 35 15,717 17 5,362 04 1,071 30 981 51 20,400 00		5,565 01 82,577 91 78,810 57 139,884 76 37,887 47 8,572 53 7,131 79 6,533 40 4,808 21 96,468 57 8,354 15 25,339 51 254,118 10 23,064 39 9,126 37 851 51 586 75 956 17 3,664 0 70		5,716 52 83,256 56 82,725 65 172,048 24 40,609 98 9,040 98 19,419 80 6,699 29 4,389 58 110,783 50 111,510 96 32,556 42 50,165 09 12,040 54 4,677 86 755 64 752 60 926 00 412,73 20,400 00	
Total Operating Exp. *		571,829 98		587,125 26		614,891 78		658,870 87
Earnings over Op. Exp		447,014 02		570,889 52		642,507 57		623,642 02
SOUTHERN DIVISION.								
Rental of Leased Roads		1.650,600 00	i and in the	1,650,600 00		1,666,666 00		1.958.197.04
TOTAL	27			100	and the second second	2		100000000000000000000000000000000000000

 $\mathbf{*}$ Percentage of Operating Expenses to Earnings.

 J. L. WILLCUTT, Secretary.

# Z°.

# Exhibit of Earnings and Operating Expenses from October, 1870, to December, 1883.

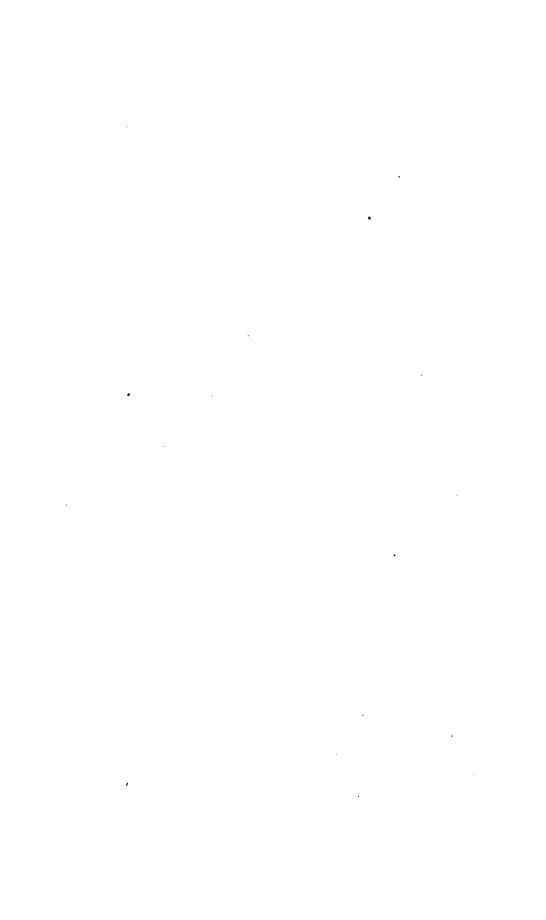
				[	22		}									
	Road.	Total at End of Year.	91.99	111.16	153.45	202.09	256.89	256.89	713.09	713.09	718.09	718.09	726.31	726.21	806.54	990.217
SUMMARY.	Miles of Road.	Average Op'ated.	91.99	103.12	147.38	197.54	256.86	256.89	534.92	684.94	713.01	70.907	720.72	726.21	736.91	952.77
MUS	Earnings	_	\$ 207,670 44	347,597 90	576,772 42	669,063 99	1,130,071 02	1,020,509 73	1,828,830 69	1,050,702 55	2,155,704 03	1,998,316 71	2,097,614 02	2,221,489 52	2,309,173 57	2,581 839 06
	Road.	Find of Year.		:	24.09	41.20	%	8.	552.20	552.20	552.20	552.20	550.20	550.20	630.63	792.707
LEASED LINES.	Miles of Road.	Average Op'ated.		:	24.09	30.34	95.47	86	374.03	524.05	552.12	545.18	550.20	550.20	560.90	755.26
LEASE		Net Rentals.			\$ 37,800 00	94,515 21	229,040 00	288,000 00	1,122,910 74	871,003 80	*1,656,360 00	1,635,554 93	1,650,600 00	1,650,600 00	1,666,666 00	1,968,197 04
	Road.	Total at End of Year.	91.99	111.15	129.36	160.89	160.89	160.89	160.89	160.89	160.89	160.89	176.01	176.01	176.01	197.51
	Miles of Road	Op'ating Average Exp'nses Op'ated.	91.99	103.12	123.29	158.20	160.89	160.89	160.89	160.89	160.89	160.89	170.52	176.01	176.01	197.51
	Ratio	of Op'ating Exp'nses	Per centum.	.51982	.45988	.56593	.58078	.46219	.45955	.55785	67.09	.59209	.56125	.50701	.48901	.51873
	Earnings	over Operating Expenses.	\$207,670 44	347,577 90	538,772 42	804,548 78	901,031 02	732,509 73	705,919 95	179,698 75	499,344 03	362,761 78	447,014 02	570,889 52	642,507 57	623,642 02
DIVISION.		Operating Expenses.	\$ 222,427 06	876,278 11	458,739 14	463,674 34	650,385 52	852,329 63	600,269 03	226,730 39	514,542 55	526,565 35	571,829 98	587,125 26	614,891 78	668,870 87
NORTHERN DIVISION		Earnings.	\$ 430,097 50	723,856 01	997,511 56	1,068,223 12	1,551,416 54	1,584,839 36	1,306,188 98	406,429 14	1,013,886 58	\$89,327 13	1,018,844 00	1,158,014 78	1,257,399 35	1,282,512 89
		Period.	From Oct. 1st, 1870— 9 months ending June 30th, 1871	Year ending June 30th, 1872	1873	1874	1875	1876	" 1877	6 months ending Dec. 31st, 1877	Year ending Dec. 31st, 1878	1879	" " 1880	1881	1882	1883

\* Overcharge in mileage adjusted in 1879.

J. L. WILLCUTT, Secretary.

### Superintendent's Report.

A. C. BASSETT.



(NORTHERN DIVISION.)

### SUPERINTENDENT'S OFFICE.

San Francisco, Cal., June 6, 1884.

CHAS. CROCKER, Esq.,

President Southern Pacific R. R.

Sir:—

I respectfully present to you the following report of business of this Division for the year ending December 31,1883

The number of miles of road operated was 197.2; the Santa Cruz Railroad, 21.2 having been added to mileage of previous year, its earnings are included in this report.

### The equipment consists of:-

Locomotives 31	Long Caboose Cars 4
Parlor Cars 2	Short Caboose Cars 4
Passenger Coaches 42	Box and Combination Cars366
Passenger and Baggage Car 1	Flat Cars193
Smoking Cars 3	Stock Cars 8
Excursion Cars	Pile Driver Car 1
Emigrant Sleeper 1	Hand Cars 34
Baggage Cars	Push Cars 34
Officers' Car 1	Dump Cars 12
Pay Car 1	Stone Cars 9
Boarding Car 1	Wood Car 1

One locomotive, No. 72, was purchased from the Central Pacific Railroad, as were also one caboose and two baggage cars; one baggage car was changed to a caboose, and one was rebuilt. Eight stock cars were rebuilt as combination cars. Locomotives and cars have been kept in first-class condition and working order. Locomotive service cost \$205,930.42, equal to 27.80 cents per mile run. Miles run to one ton of coal, 47.82.

The traffic for the year as compared with 1882 was as follows:—

TRAIN MILES.	1883.	1882.	Increase.	Decrease.	Per Cent.
Passenger	386,988	350,512	36,476		10.41
Freight	157,305	151,390	5,915	,	3.91
Service	196,291	158,306	37,985		23.99
Total	740,584	660,208	80,376		12.17
No. Passengers Carried	604,077	535,095	68,982		12.89
Tons of Freight Moved	293,801	301,859		8,058	2.67

### The earnings for the year as compared with 1882 were:-

	1883.	1882.	Į.	Increase or Decrease.		
Freight	\$624,668 77	\$672,295 16	Dec.	\$47,626 39	7.08	
Passengers	600,044 00	531,240 83	Inc.	68,803 17	12.95	
Mail	13,571 76	12,511 62	"	1,060 14	8.47	
Express	16,484 75	13,767 80	٠٠	2,716 95	19.73	
Miscellaneous	27,743 61	27,583 94	"	159 67	.59	
Total	1,282,512 89	1,257,399 35	Inc.	\$ 25,113 54	2.00	
Operating Expenses	658,870 87	614,891 78	"	43,979 09	7.15	
Earnings over Opr. Expenses	623,642 02	642,507 57	Dec.	18,865 55	2.94	
Gross Earnings per Mile	6,483 89	7,132 15	"	648 26	9.09	
Earnings over Op. Exp. per Mile	3,152 89	3,644 39	"	491 50	13.49	
Per cent. of Opr. Expenses	51 37	48 90	Inc.	2 47		

The decrease in freight earnings is explained by the fact that the grain crop of 1883 was light, variously estimated at one-half to two-thirds, and owing to the condition of the market, shippers generally held back, leaving us with about 50,000 tons in warehouses on the line at the close of the year. The revenue from this withheld business, will make a substantial addition to the earnings for the current year. In almost all other articles making up the tonnage of the road,

there was a decided increase showing a steady development of resources. The passenger earnings show a large and gratifying Travel was good throughout the year particularly to Monterey, Santa Cruz, and other pleasure resorts on the Bay of Monterey. The accompanying reports from Passenger and Freight Agents, will give further details relative to business of those departments. Our track is in first-class condition; during the past year,  $35^{78}_{100}$  miles of main line were relaid with steel, leaving but  $5\frac{1}{2}$  miles of iron track between San Francisco and Monterey. The Santa Cruz Railroad has been reconstructed as a broad-gauge line, and we are now able to operate that branch to good advantage, and to successfully compete with other lines for business between San Francisco This change has brought into prominence a and Santa Cruz. number of delightful summer resorts on the northern side of the Bay of Monterey. The large hotel at Aptos has been reopened, additional accommodations have been provided at Camp Capitola, and these popular places of resort will undoubtedly attract a large travel during the coming summer. The Loma Prieta R. R. has been completed, and sawmills now being erected will soon commence work, furnishing a heavy tonnage in lumber, shingles, wood, and other forest products. A new and commodious passenger depot has been built at San At this writing the outlook for the current year is The yield of grain will probably be the most promising. largest the State has ever produced, guaranteeing the Company a most profitable freight business, while all indications are for a heavy passenger traffic.

Respectfully yours,

A. C. BASSETT,
Superintendent.



### AUDITOR'S OFFICE.

San Francisco, March 22d, 1884.

A. C. BASSETT, Esq.,
Supt. and Gen. Freight Agent Northern Div. S. P. R. R.,

Sir:—

Enclosed please find "Report of Freight Forwarded" North and South for the year ending December 31st, 1883, and "Classification of Freight Moved" for the years ending December 31st, 1880, 1881, 1882 and 1883.

Respectfully,

CHAS. J. ROBINSON,

Auditor.

Report of Freight forwarded North and South, for the year ending December 31st, 1883. (NORTHERN DIVISION.)

# NORTH.

TOTAL-Lbs.	28,480,962	22,364,126	18,555,297	22,265,126	27,859,293	25,390,114	32,217,050	42,911,526	40,687,153	48,010,497	35,417,602	22,707,956	361,875,702
Merchandise. Lbs.	2,020,546	2,808,438	4,047,237	3,498,433	3,523,802	3,329,101	4,380,386	6,455,788	7,347,886	6,486,982	6,405,809	4,442,804	55,642,162
Wool-Lbs.	**********	2,057	65,767	731,196	617,117	126,995	16,952	76,349	504,364	256,602	818	18,888	2,417,106
Wood-Cars.	88	31	28	22	40	34	20	27	31	51	99	40	423
Vegetables.	886,428	472,913	594,687	300,150	241,332	70,259	122,070	324,032	895,977	2,454,082	2,103,108	605,547	9,070,578
Tan Bark-Cars	- 1	03	-	H	- 0	61	04	20	69	:	- 1	1	123
Stock-Cars.	H	89	82	204	387	462	435	340	186	143	102	75	2,553
Shingles-M.	104	402	735	11.	989	699	2,098	,336	1,037	2,645	2,409	1.129	
Quicksilver. Lbs.	360,958	311,435	219,736	204,884	191,380	250,864	34,644	337,433	301,006	234,715	217,360	242,198	2,845,613 13954
Pickets-Curs.		92	93	00	)Q	н	4	48	*	10	177	19	1 28
Milk-Lbs.	598,590	564,090	631,290	655,560	675,070	065,778	691,250	673,030	662,000	570,600	533,030	553,470	7,485,570
Lumber-Ft.	132,310	416,306	379,424	370,166	493,940	624,378	288,430	510,664	468,346	815,772	658,714	476,926	5,635,376
Lime-Lbs.	698,370	294,190	625,348	705,380	721,950	137,560	104,200	395,310	212,175	662,780	720,925	491,850	5,770,038 5,635,376
Hay-Cars.	86	88	99	102	111	98	159	325	350	198	88	42	1,680
Grain-Lbs.	17,067,784	9,923,242	6,114,053	6,053,104	6,879,145	5,046,929	10,953,266	14,317,636	14,047,158	12,083,414	12,718,135	6,566,879	121,760,695
Fruit-Lbs.	203,747	294,461	316,174	142,456	54,783	238,098	600,580	1,383,904	1,111,319	1,973,989	1,292,584	757,240	8,369,344
Flour-Lbs.	244,964	1,909,296	376,267	321,182	531,724	300,252	770,310	1,854,110	2,178,977	2,907,941 1,973,989	2,785,609	2,347,253	16,527,185
F. Posts-Cars.	44	00	17	11	10	24	01	H	100	13	4	**	101
Coal-Pbs.	COLUMN		********	********		1416-1114	*******			*********	*********	**********	*********
Charcoal-Lbs.	40,000		2,094	*****	:	41,410	12,387	:	20,000	64,540	48,005	120,000	348,436
Brick-Lbs.	815,440	346,530	147,660	960,000	1,567,000	962.940	661,900	1,039,410	539,680	3,730,700	266,320	1,006,780 120,000	12,044,360 348,436
Asphaltum. Lbs.		:	141111		1				10.00	54,901.2.5	-		
.shtvom	Jan	Feb	March	April.	May	June.	July	Aug.	Sept .	Oet	Nov.	Dec	Totals

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30 ]

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10,434,613	10 777 07	10,111,01	12,175,483	13,632,523	11,520,279	17,688,811	14,091,450	14,426,389	19,595,729	19,667,838	16,438,917	17,312,738	177,761,846	
4,548,144	9 005 209	0,720,053	8,387,349	6,562,765	7,869,283	9,819,450	6,619,619	6,636,289	7,067,082	8,224,710	6,606,847	5,073,122	80,840,343	
14,610	15 804	15,084	17,146	18,716	18,602	72,303	15,571	11,689	770,6	35,967	77,887	44,895	352,147	
4	-	1	ΦI	10	3	9	KQ.	22	98	29	25	23	158	1
356,900	990 699	239,038	233,267	187,653	158,879	90,052	155,482	233,942	186,927	542,933	750,979	401,144	3,537,746 158	
-:			13	:	:	1	÷	:	5 1	-	44	10	67 12	1
4			15	4.5	4		**			17			69	
192	900	203	137	589	830	492	682	1,170	999	335	480	84	5,847	
		*********	**********		*********	***************************************					2			
		-	10	24	40	10	.0	-		0 12	0 19	0 16	17 0	1
		-				******	:	******	*****	1,860	1,800	1,440	5,100	
458,364	000 000	330,000	498,086	538,438	565,358	665,346	535,302	709,754	869,578	1,002,522	832,576	307,168	750,310 7,438,492	
85,493	050 000	000,08	84,887	99,615	62,730	63,860	72,175	20,720	72,155	37,995	41,860	23,660	750,310	
4	N	a.	1	-	7	9	30	97	25	88	52	30	190	T
269,764	000 000	270,089	143,077	24,206	50,744	211,859	351,241	503,700	675,030	245,974	715,944	419,516	3,887,754	
23.512	0.000	10,250	32,678	42,532	37,877	80,761	122,303	493,067	293,840	229,379	70,690	34,930	1,480,825	
350,496	350.040	189,912	370,818	169,213	135,271	279,805	304,332	357,733	269,285	368,026	363,934	184,897	3,343,722	
-1		74	24	21	H	-	9	9	67	00	90	-	91	1
1,695,020	4 000 025	3,315 4,062,055	682,980	3,865,210	3,720 1,203,410	1,180 4,141,970	12,630 3,706,470	1,130 2,199,980	5,132,610	3,155 3,632,612	2,988,960	8,827,240	12,138,517	
	0.00	3,310	1,430	096	3,720	1,180	12,630	1,130	111111111111111111111111111111111111111	3,155		******	27,520	
Jan 1.068.000 1.695.020	000 000	332,000	30,000	299,320	35,010	120,460	000'06		515,000	150,000	30,000	30,000	Totals 94,050 2,699,790 27,520 42,138,517	Grand
	1 080	1,230	1,150	*****	+	******	91,670		*****	*****			94,050	
Jan	Dah	ren.	March	April.	May	June.	July 91,670	Aug	Sept.	0ct	Nov	Dec	Totals	Grand

CHAS. J. ROBINSON, Auditor.

NORTHERN DIVISION.

# Statement showing the total amount of Freight moved in the following years.

ARTICLES.	In What	Year ending Dec. 31, 1880.	Year ending Dec. 31, 1881.	Year ending Dec. 31, 1882.	Year ending Dec. 31, 1883
Asphaltum	Tons.	19		2	47
Brick	M.	1461	1,588	2,347	2,949
Charcoal	Tons.	34	32	83	188
Coal	Tons.	5,475	9,524	7,544	21,069
Fence Posts	Cars.	32	. 43	80	173
Flour	Tons.	3,237	4,498	9,158	9,935
Fruit	Tons.	4,211	3,969	3,964	4,925
Grain	Tons.	77,997	90,894	109,239	62,824
Hay	Bales.	194,480	220,240	202,960	149,600
Lime	Tons.	2,447	2,246	2,698	3,620
Lumber	Feet.	9,054,486	7,470,178	10,256,026	13,073,868
Milk	Gallons.	541,587	554,532	629,961	749,067
Pickets	Cars.	103	84	87	15 <b>5</b>
Quicksilver	Flasks.	11,785	15,748	23,510	31,618
Shingles	М.	8,318	13,738	16,620	19,801
Stock	Cars.	1,677	2,901	2,460	2,620
Tan Bark	Cars.	73	31	36	25
Vegetables	Tons.	5,365	7,078	5,240	6,304
Wood	Cords.	3,504	4,360	3,904	4,648
Wool	Tons.	1,576	1,563	1,519	1,385
Unenumerated Articles	Tons.	57,5 <del>4</del> 9	75,474	76,433	68,241
Total	Tons.	228,653	278,350	301,859	269,819

CHAS. J. ROBINSON,
Auditor.

NORTHERN DIVISION.

# Classification and Tonnage of Freight moved for the year commencing January 1st, and ending December 31st, 1883.

	IN WHAT	NORTI	HWARD.	SOUTE	IWARD.	тот	ſAL.
CLASSIFICATION	FORM.	NUMBER.	POUNDS.	NUMBER.	POUNDS.	NUMBER.	POUNDS.
Asphaltum	Pounds.				94,050		94,050
Brick	М.	2,409	12,044,360	540	2,699,790	2,949	14,744,150
Charcoal	Pounds.		348,436		27,520		375,956
Coal	Pounds.				42,138,517		42,138,517
Fence Posts	Cars.	101	2,020,000	72	1,440,000	173	3,460,000
Flour	Pounds.	·	16,527,185		3,343,722		19,870,907
Fruit	Pounds.		8,369,344		1,480,825		9,850,169
Grain	Pounds.		121,760,695		3,887,754		125,648,449
Нау	Bales.	134,400	33,600,000	15,200	3,800,000	149,600	37,400,000
Lime	Pounds.		5,770,038		750,210		6,520,248
Lumber	Feet.	5,635,376	19,728,816	7,438,492	26,034,722	13,078,868	45,758,538
Milk	Gallons.	748,557	7,485,570	510	5,100	. 749,067	7,490,670
Pickets	Cars.	84	1,680,000	71	1,420,000	155	3,100,000
Quicksilver	Flasks.	31,618	2,845,613			31,618	2,845,613
Shingles	M.	13,954	2,790,800	5,847	1,169,400	19,801	3,960,200
Stock	Cars.	2,553	51,060,000	67	1,340,000	2,620	52,400,000
Tan Bark	Cars.	13	260,000	12	240,000	25	500,000
Vegetables	Pounds.		9,070,578		3,537,746	 	12,608,324
Wood	Cars.	423	8,460,000	158	3,160,000	581	11,620,000
Wool	Pounds.		2,417,105		852,147		2,769,252
Merchandise	Pounds.		55,642,162		80,840,343		136,482,505
Total			361,875,702		177,761,846		539,637,548

CHAS. J. ROBINSON,

Auditor.



(NORTHERN DIVISION.)

### GENERAL FREIGHT OFFICE.

SAN FRANCISCO, May 1st, 1884.

### A. C. Bassett, Esq.,

Supt. and Gen. Frt. Agt. Northern Div. Southern Pac. R. R.,

Sir:—

Below please find statement of freight business for the year ending December 31st, 1883, as compared with previous year:—

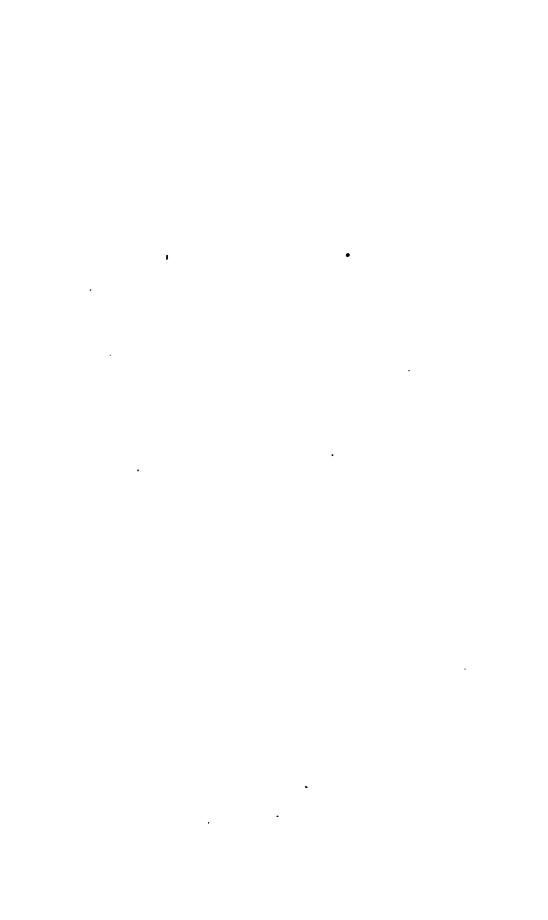
	1882.	1883.	
Tons Hauled	301,859	293,801	
Tons Hauled One Mile	21,897,984	18,228,184	
Freight Earnings	<b>\$</b> 672,295.16	<b>\$</b> 624,668,77	
Per mile operated	\$ 3,813.36	\$ 3,158.24	
Per ton per mile	3 7 cts.	3 <u>43</u> cts.	

For classification and tonnage of freight in detail, see report of the Auditor.

Respectfully,

E. J. MARTIN, Jr.,

Asst. Gen. Freight Agt.



(NORTHERN DIVISION.)

### GENERAL FREIGHT OFFICE.

San Francisco, May 1st, 1884.

### A. C. BASSETT, Esq.,

Supt. and Gen. Frt. Agt. Northern Div. Southern Pac. R. R.,

Sir:—

Below please find statement of freight business for the year ending December 31st, 1883, as compared with previous year:—

	1882.			
Tons Hauled	301,859	293,801		
Tons Hauled One Mile	21,897,984	18,228,184		
Freight Earnings	<b>\$</b> 672,295.16	\$ 624,668,77		
Per mile operated	\$ 3,813.36	\$ 3,158.24		
Per ton per mile	3 7 cts.	3 4 3 cts.		

For classification and tonnage of freight in detail, see report of the Auditor.

Respectfully,

E. J. MARTIN, Jr.,

Asst. Gen. Freight Agt.



(NORTHERN DIVISION.)

### GEN'L. PASSENGER AND TICKET DEPARTMENT.

San Francisco, February 20th, 1884.

A. C. Bassett, Esq.,

Supt. Northern Division S. P. R. R.,

Sir:-

I submit herewith report of passengers transported over the "Northern Division" of the road during the year ending December 31st, 1883, together with statement of passengers carried during the years 1880, 1881, 1882 and 1883.

Respectfully,

H. R. JUDAH,

Asst. Pass. and Tkt. Agt.

(NORTHERN DIVISION.)

### Passenger Movement for the Year ending December 31st, 1880.

Classification.	Southward.	Northward.	Total.	Passengers Hauled One Mile.	Average Distance Traveled by Each Passenger.
Local	40,624	127,734½ 6,097½ 40,712 46,862	258,327 11,735 81,336 93,720	9,161,291 889,782 2,803,298 2,161,434	35 45 Miles. 75 43 " 34 16" " 28 165 "
Totals	223,712	221,406	445,118	15,015,805	33 13 Miles.

### Passenger Movement for the Year ending December 31st, 1881.

Classification.	Southward.	Northward.	Total.	Passengers Hauled One Mile.	Average Distance Traveled by Each Passenger.
Local		138,583	279,4001	10,379,282	87 186 Miles.
Connecting Lines	7,780 <del>]</del> 48,225	8,125 48,300	15,905½ 96,525	1,057,428 3,467,106	66 <sub>100</sub> "
Commutation		44,154	88,302	2,027,579	66 4 " 35 66 " 22 66 "
Totals	240,971	239,162	480,133	16,931,395	35,750 Miles.

### Passenger Movement for the Year ending December 31st, 1882.

Classification.	Southward.	Northward.	Total.	Passengers Hauled One Mile.	Average Distance Traveled by Each Passenger.
Local	10,235 5 56,766 2	150,0711 9,7481 56,8901 49,386	302,684 19,984 113,657 98,770	11,403,531 1,335,258 4,512,054 2,106,508	37,475 Miles. 66,485 " 39,755 " 21,755 "
Totals	268,9981	266,0961	535,095	19,357,351	36,18 Miles.

### Passenger Movement for the Year ending December 31st, 1883.

Classification.	Southward.	Northward.	Total.	Passengers Hauled One Mile.	Average Distance Traveled by Each Passenger.
Local		177,604	359,629	14,163,535	39 Miles.
Connecting Lines Excursion		3,780 65,680	7,517 131,243	676,545 5,467,116	90 100 '' 41 65 '' 21 65 ''
Commutation		52,845½	105,688	2,284,855	21,62 "
Totals	304,1671	299,9091	604,077	22,592,051	37,40 Miles.

### Recapitulation.

### PASSENGERS CARRIED.

Classification.	1880.	1881.	1882.	1883.
Local Connecting Lines. Excursion Commutation	258,327 11,735 81,336 93,720	279,400½ 15,905½ 96,525 88,302	302,684 19,984 113,657 98,770	359,629 7,517 131,243 105,688
Totals	445,118	480,133	535,095	604,077

H. R. JUDAH, Assistant Passenger and Ticket Agent. LAND AGENT'S REPORT.

JEROME MADDEN. .



# Southern Pacific Railroad.

### LAND DEPARTMENT.

SAN FRANCISCO, CAL., December 31st, 1883.

To the President and Directors of the Southern Pacific Railroad Company,

Gentlemen:—I respectfully submit the following report of the business of this Department for the year ending December 31st, 1883, together with a brief review of the industrial condition of California, so far as it affects the lands of the Southern Pacific Railroad Company.

As shown by former reports, the lands granted by Congress to the Company amount in the aggregate to about 10,445,227 acres, all within the State of California, which, at the Government price (\$2.50 per acre) for adjoining lands, would be worth \$26,113,067.50. Of this land there have been sold 640,000 acres, at an average price of \$4.39 per acre, leaving still to the Company 9,805,227 acres, comprising grazing, timber and good arable lands.

Of the main lines of the railroad to which the lands are granted, 579<sup>20</sup> miles were constructed and the Government has accepted them. The 242<sup>51</sup> miles recently built from Mojave Station to the Needles, on the Colorado River, connecting with the Atlantic and Pacific, are now awaiting examination and acceptance by the Government Commissioners.

Up to this time, the Company has applied for and received patents for 1,192,785<sup>24</sup> acres of its land, and it has now applications in the Land Department in Washington for 145,479<sup>20</sup> acres more, for which patents will soon issue.

Attached hereto is a tabulated statement of the entire transactions of this Department, from which it will be seen that while the business of 1883 is not fully up to the figures of last year, it has been, on the whole, quite satisfactory.

It gives me pleasure to be able to state that during the year 1883 there has been more than usually rapid progress toward the realization of the predictions made from time to time in these reports, concerning the approaching recognition of California lands for agricultural purposes, and the desirability of California as a home for industrious and thrifty people.

During the last twelve months, the general productive interests of the State, the settlement of vacant areas, the development of neglected resources, and the further improvement of property which has been long productive have advanced very rapidly, and represent a considerable accretion to the general wealth of the State. A large accession has been made to our population, both of those bringing capital for investment in handsome homes and in various productive enterprises and of those seeking labor for wages. Many of the latter class are settling upon government or railroad lands, and are increasing their available funds by laboring for others, thus gaining materials for building up their own homes on their own lands.

There is now a large demand for good, trustworthy laborers, not only in the orchard and vineyard industries, but also in nearly all lines of productive effort. It is true that comparatively few desire to engage laborers for the full year, but chiefly during the grain and fruit harvest season, which extends from May to October. This arrangement works well for those who are establishing themselves upon railroad lands, for the winter in California is not an idle season, as at the East, but it is the time for plowing and sowing, tree-planting and pruning, the proper time to clear land, etc., so that the settler is able to labor for others in the summer, and during the winter invest his earnings and his time in the improvement of his homestead, until his place begins to produce well and he is no longer dependent upon the hire of others. This fortunate combination of circumstances and conditions is aiding

largely in the establishment of men of moderate means, but sterling industry, upon small farms of their own, which will ultimately yield them competence and comfort. The report of the Immigration Association of California (a worthy institution supported by contributions from the people of the State) shows that during the fiscal year ending November 21st, 1883, from 2,500 to 3,000 families were located upon government lands by their organization alone. This will give some idea of the rapidity of settlement and the demand for California lands; but it must be remembered that only a fraction of the new-comers avail themselves of the aid of the association, the remainder making their own choice of unimproved lands or buying improved places, as their means enables them to do.

While this has been going on, it must be noticed that during the year there has been also much new light thrown upon the adaptations and qualities of California lands, and large tracts which have heretofore been thought well nigh worthless except for pasturage have been shown to be well adapted to orchard and vineyard growths, and their value has appreciated beyond all expectation. Land rated at \$5 per acre for pasturage has been sold in its rough state for \$100, and more, for fruit tree and vine planting. The fact of the matter is that even Californians have apparently only begun to realize what California is good for. This state of affairs can be best described by using the words of an unprejudiced writer, Mr. J. G. Kingsbury, editor of the Indiana Farmer, who came to this State to secure personal knowledge of it for the information of his readers. He says: "Californians themselves are often surprised at the "new revelations constantly appearing regarding the agricult-"ural wealth and resources of different portions of their State. "Lands that have for years been regarded as of no account for "farming purposes, and had been offered at \$1 an acre, and "even less, with no buyers, have recently been found of great "value in the production of some variety of fruit; and other "lands that were known to be fertile when irrigated, but "which were supposed to be useless without irrigation, are "found to bring large crops of superior quality of some kinds

"of fruit and alfalfa. Near Woodland is a large tract of land "that is selling now at \$100 an acre, which, a few years ago, "was supposed to be entirely valueless for agricultural pur-"poses. A few miles east of San José I stopped with a friend "who is growing fine crops of almonds, apricots, etc., on soil "that ten years ago was thought to be incapable of producing "such fruits to profit. In Washington Colony, near Fresno, "Judge North showed me apricot trees of only three years' "growth that measured fifteen inches around the body six "inches from the ground, growing in land that more resembled "a useless sand heap than the fine, rich soil it proves itself to "be." Even these statements are short of the truth, for some parts of the Mojave plains which it was formerly thought would always be given over to yucca and cactus, are now being taken up for fruit farms, because it has been shown that even there water can be had by shallow wells, and enough easily raised, by windmills or horse-power, for irrigation.

There has been much progress recently in the understanding of the amount of irrigation which trees and vines require. It has been shown by experience that usually heretofore too much water has been used, and the health of the trees and the quality of the fruit impaired thereby. This has led to the utilization of land with but a small supply of running water and of tracts depending entirely upon wells for irrigation. It is altogether impossible to place a limit beyond which lands will be pronounced useless in California. only is the so-called desert being transformed into farms, but large enterprises are contemplated for turning even the natural growths of the desert to industrial account, and persons with abundant capital are arranging to take up thousands of acres of railroad land to secure the yuccas, which, by a very cheap and easy process, furnish an excellent stock for paper of the best quality.

Although all of California has felt the stir of a new industrial life during the past year, it is generally admitted that Southern California, and particularly that portion adjacent to the line of the Southern Pacific Railroad, has enjoyed especial progress and prosperity. The city of Los Angeles, which,

before the advent of the road, was a quiet town, living largely on the beauties of its climate and the charms of its history and traditions, has now become a busy metropolis. outgrown the most sanguine prediction of its growth, and in the quality of its structures will compare well with cities which have had a much longer active life. The opening of the Southern Overland route has brought large numbers of tourists and home seekers, and the needs of the mining districts of Arizona, New Mexico and Old Mexico have brought much new trade to the city. During the last year it has been difficult to build houses fast enough for tenants, and hotels and boarding houses have been in a continual state of overflow. Using Los Angeles as a center of operation, the tide of immigration has flowed into the charming districts surrounding it. Villas which would be a credit to the banks of the Hudson River have been erected by the wealthy, while those of moderate means have built modest cottages, which a single season has decorated with vines and surrounded with thriftily growing Eastward even to the borders of the Colorado Desert. northward to the Mojave, southward to the limits of the State in San Diego, and westward to the shores of the Pacific have the liberal investment of means and the earnest efforts of enthusiastic settlers brought new life to the country and new features to the landscape. Of course, with this has come a wonderful advance in land values and prosperity to many who have patiently waited for the development of the country, which the building of the railroad fostered and promoted.

Gratifying as has been this record of the year at the extreme south, almost the counterpart of it is to be seen along the line of the road through the San Joaquin valley. In my former reports I have alluded to the general boring of artesian wells in the Tulare region, which followed the successful sinking of the railroad well at Tipton Station. During the last year the number of wells has been more than doubled, and the area in which flowing water has been obtained has been greatly extended. With possession of water, there has been a general disposition to improve the lands, either for live stock, by the planting of alfalfa, evergreen millet and other forage plants,

or by planting orchards and vineyards. Enterprises of this character, both large and great, have given a new impetus to Tulare County, and have led to a considerable increase in the value of her lands. In the foothill district of the county the year has shown new evidence of the success of the orchards, and considerable shipments of fruit to Arizona have been made from Visalia.

In the other counties of the San Joaquin valley there has also been gratifying progress manifested during the year. The thriving colonies of Fresno have given new proof of what can be done on the vast area of similar land which is still available, and which awaits the enterprise of the capitalist or coöperative effort of settlers to bring the water upon the land, which is waiting to reward the producer with the wonderful array of valuable products for which the valley is well adapted.

There has been during the year a farther tendency toward the adoption of mixed husbandry, which has been mentioned in previous reports. Although the horticultural industries have been the favorites in public esteem, and have received the greater share of attention and investment, there has also been an upbuilding of dairying, a wider disposition toward the improvement of live stock of all kinds, renewed interest in poultry growing, and other tendencies which show the progressive character of California agriculture.

The dairy business has been very prosperous during the year and excellent prices have been received, especially for cheese. The interest has grown most rapidly in the southern portion of the State, and the immediate stimulus to this increase of production, aside from the enlarged local demand, because of the growth in population, has been the profitable markets opened to Southern California by the building of the Southern Pacific Railroad to Arizona, New Mexico, etc., as has been mentioned before. This opportunity for sale has led to many experiments in dairying in Los Angeles and San Bernardino Counties, and they have been so successful that the dairies have been enlarged, new factories erected, etc. Hand in hand with the dairy goes the pork interest, and pork making and

curing are now affording profitable business to many who have lately settled in the districts named.

In live stock there has been notable progress made during the year. Although fresh meats have been comparatively cheap in California, there is now a steady advance in values, which is expected to continue, and this will warrant more attention to stock, and efforts to produce a better grade of beef and mutton, by better feed and by using bulls of better blood. There is plenty of land still available for the pursuit of this industry, and it will no doubt command much attention during the next few years.

The poultry interest, although one of the minor affairs of the farm generally, is now receiving increased attention, and is being pursued as a specialty by many energetic men and women. When it is remembered that eggs in California range from 22½ cents to 45 cents, and even higher, per dozen, and that car-loads of eggs are profitably brought from the Western States, it is evident that the local production can be largely The use of incubators is now enabling many growers to operate successfully on quite a large scale, but the demand keeps quite abreast of the increased supply. are many places which afford excellent range for poultry which are not so well suited to cultivation, and if the poultry grower has a few acres to plow and a little stream from a spring or from a windmill, he can easily furnish his stock with green food during the entire year, and thus ensure them health and rapid growth. Such places can be found quite near enough to the line of the railroad to give quick transit of the product to the markets.

Another minor agricultural industry, which promises to reach considerable importance, is the production of silk, for which California is exceptionally adapted. The State has established a Board of Silk Commissioners and made an appropriation for its work. A filature or reeling establishment has been opened, and instruction given free to applicants. A large amount of cocoons grown last spring in different parts of the State found a good market. The quality is shown by the fact that at the Philadelphia Silk Exposition, in June last,

the first prize was awarded to a California grower, with upwards of thirteen States competing for it. Mulberry trees are now being planted in nearly all parts of the State. Experienced silk growers and reelers are now emigrating from Europe to this State.

Although the year 1883 has been somewhat unfavorable for agricultural operations, because the rainfall was too scant to allow some parts of the State to yield full crops, and because there was some damage done to fruit by unusual frosts, the aggregates of production are quite satisfactory and in advance of former years. I append a tabulated statement of the yield and valuation of the different products, securing the data from various trusted authorities:

CALIFORNIA PRODUCTS IN 1883.

ARTICLE.	. QUANTITY.	ESTIMATED VALUE
Wheat	26,000,000 centals	\$ 41,600,000
Barley		6,000,000
Wool		
Wine	7,500,000 gallons	2,250,000
Fruit Crop		
Canned Goods, Fruits, etc	1,000,000 cases	4,500,000
Butter		
Cheese	8,000,000 pounds	1,000,000
Eggs		
Corn and Oats		
Dried Fruit		1,500,000

These are some of the leading items. Other products, as large as some of these, it is impossible to estimate as closely. It is safe to credit the State with agricultural produce to the amount of \$100,000,000 for the year 1883.

Respectfully submitted,

JEROME MADDEN,

Land Agent.

## ANNUAL STATEMENT 1883.

# Statement of the business of the Land Department Southern Pacific Railroad Company, to December 31st, 1883, inclusive.

Nu 	mber of Ac	res Sold, as	follows	:		_	From com- mencement of Sales to Dec. 31, 1882, inclusive. Consideration.	to Dec. 31, 1883, inclusive.	Total. Consideration.
	ACRES. 153,429.03 15,648.94	for Cash, an	ountin	g to	• • • • • • • • • • • • • • • • • • •	::	<b>\$</b> 395,161 23	\$ 59,136 76	
Total	.169,072.97	"	"	"…					\$ 454,297 99
•	451,608.96± 67,922.56±	on Credit	"	"…		::	<b>\$ 2,258,774</b> 86	<b>\$ 293,891</b> 73	
Total	.519,531.53	"	"	"…					<b>\$ 2,552,666</b> 59
	688,604.50	Grand Total	Decem	ber 31s	t, 1883		<b>\$ 2,653,936 09</b>	\$ 353,023 49	\$ 3,006,964 58
From w	Acres Sold to which deduct ntracts to De erted to the	the acreage cember 31,	represe 1883,—s	nted by aid land	cancelled is having		•	unting to	\$ 3,006,964 58
	То	tal					•		\$2,913,491 58 \$ 4.396+
	То	tal		rice per			····		
	То	tal		rice per	acre	IPT	····		

\$2,256,700 57

\$361,278 33

Total amount received and paid to Treasurer...... \$1,895,422 24

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CHIEF ENGINEER'S REPORT.

GEO. E. GRAY.



# Southern Pacific Railroad.

### OFFICE OF CHIEF ENGINEER.

SAN FRANCISCO, May 8th, 1884.

To the President and Directors of the Southern Pacific Railroad:—

Our Annual Report for the year ending December 31st, 1882, gave 845<sup>18</sup> miles of completed railroad and telegraph line.

Since that date, the line from Mojave to the Needles (reported under construction) has been completed.

The completed railroad and telegraph line on the 31st day of December, 1883, was as follows:—

From "	San Francisco to Tres Pinos		miles.
	Angeles, to the Colorado River near Yuma	528.56	"
"	Los Angeles to San Pedro	24.65	"
**	Mojave to the Colorado River, near the Needles	242.51	"
	Total	956.61	miles.

Surveys for the extension of the line, beginning at Soledad, thence following up the Salinas River Valley, thence via Polonio Pass, and connecting with the line from Goshen to Mojave, etc., at a point near Lerdo, a distance from Soledad of 163.60 miles have been completed, the location has been decided, and the right of way principally obtained for the first fifty miles.

Respectfully yours,

GEO. E. GRAY, Chief Engineer.



TRUSTEES' REPORT.

D. O. MILLS-GERRIT L. LANSING.

# Southern Pacific Railroad.

Report of Trustees under Mortgage of April 1st, 1875.

SAN FRANCISCO, January 1, 1884.

## To the President and Board of Directors of the Southern Pacific Railroad Co.:-

We beg to submit the following report of transactions for the fiscal year of the Company ending December 31, 1883, viz:---

Balance on hand, as per Report of January 1st,		٠
1883, ninety-one thousand one hundred and		
sixty-five 13 dollars	\$ 91,165	18

 $\mathbf{3}$ 

Amount received	d during	the year	ending	De-
cember 31st,	1883,	three h	undred	and
${f twenty-nine}$	thousand	two h	$\mathbf{undred}$	and
forty-nine 45	dollars	• • • • • •		

\$ 329,249 45

**\$ 420,414** 58

Out of this sum we have redeemed 300 Bonds of \$1,000 each, making a total of \$300,000, at a cost of two hundred and ninety-eight thousand two hundred and fifty dollars....

\$ 298,250 00

Leaving cash on hand January 1st, 1884.....

**\$** 122,164 58

D. O. MILLS,

GERRIT L. LANSING,

.



### >OFFICERS=

OF THE

# Southern Pacific Railroad Company

OF CARIFORNIAL

1883-4.

### DIRECTORS.

CHARLES CROCKER, TIMOTHY HOPKINS, CHAS. MAYNE,

CHAS F. CROCKER, W. V. HUNTINGTON, J. L. WILLGUTT,

NICHOLAS T. SMITH.

Chief Engineer......GEORGE R. GRAY....San Francisco.
Land Agent.......JEROME MADDEN...San Francisco.

GENERAL AGENT.....LELAND STANFORD......San Francisco

AGENT AND ATTORNEY.C. P. HUNTINGTON. 23 Broad St. n. t. 649

### OFFICERS OF NORTHERN DIVISION.

Superintendent.........A. C. HASSETT...San Francisco.
Ass't Gen'l Freight Agent....E. J. MARTIN, jr San Francisco.
Ass't Pass't and Ticket Art. H. R. (UDAH..... San Francisco.

# →ANNUAL REPORT

85 THE

HOARD OF DIRECTORS

DE ARE

# Зоприеву Расігіс Капколо Со.

OF CALIFORNIA)

TO THE

STOCKHOLDERS.

For the Year Ending December 31st, 1884.



# ANNUAL REPORT

OF THE

### BOARD OF DIRECTORS

OF THE

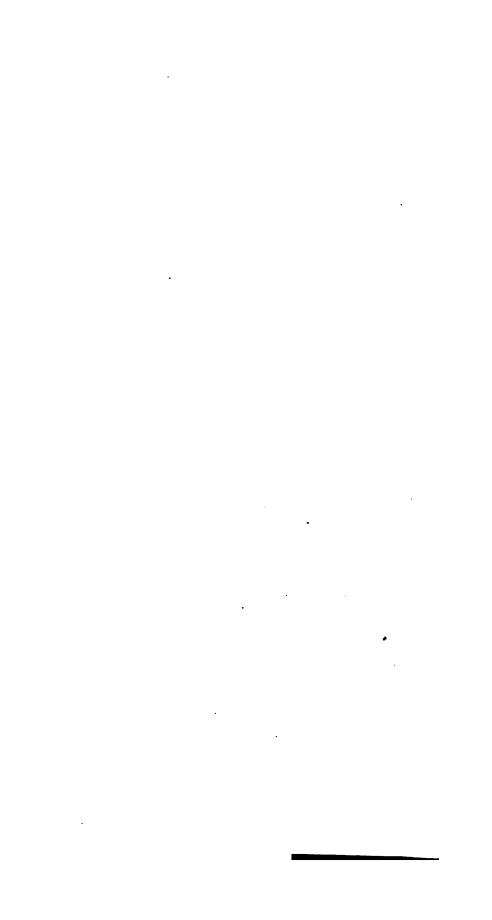
# Southern Pacific Railroad Co.

TO THE

# STOCKHOLDERS.

For the Year Ending December 31st, 1884.

San Francisco:
H. S. CROCKER & CO., PRINTERS.
1885.



# ANNUAL REPORT

OF THE

# President and Board of Directors

For the year ending December 31st, 1884.

### OFFICE OF THE SOUTHERN PACIFIC RAILROAD COMPANY.

San Francisco, March 23rd, 1885.

To the Stockholders:-

The report of the operations of the road for the fiscal year ending December 31st, 1884, is herewith submitted by your President and Board of Directors, accompanied by the reports of the officers of the operating and financial departments, which show the condition of the Company at that date.

The liabilities and assets of the Company on December 31st, 1884, were as follows:—

### CAPITAL STOCK.

The amount of the Capital Stock of the Com-		
pany authorized	\$90,000,0	00
The amount subscribed	45,397,2	00
The amount paid in	44,039,1	00
INDEBTEDNESS.		
The Debts of the Company at the same date	e were:	
Funded Debt, as per Statement No. 5	\$32,932,000	00
Trustees of Mortgage	248,752	25
Reserve—for payment of taxes in litigation	446,790	92
Bills and accounts payable	339,846	<b>3</b> 9
_		

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### ASSETS.

The Assets of the Company were as follows	s:—		
956.61 miles of railroad and telegraph line, with sidings, turn-tables, round-houses, wharves, etc., together with real estate,			
depots, depot-grounds, etc., including an			
undivided half interest in 60 acres of	•		
land in Mission Bay, San Francisco	\$83,278,660	12	V
Equipment for same	3,333,343	<b>80</b>	-
Shop machinery and tools	94,273	83	~
Road tools	10,636	<b>36</b>	
Material for repairs	96,988	09	
Fuel on hand	20,546	<b>3</b> 0	
Office and Station furniture, telegraph instru-			
ments, etc	69,563		
Wells, Fargo & Co. Stock	369,200		
Sundry accounts due the Company	372,968	08	<b>✓</b>
Cash in hands of Treasurer	20,642	66	
Amount in hands of Trustees of Mortgage, to be used in redemption of Bonds	248,752	25	
Land Contracts—deferred payments on time			
sales	1,862,487		
Farming Lands unsold—estimated value	37,000,000	00	
Total Assets	<b>\$126,778,062</b>	32	
ROAD AND EQUIPMENT.			
The number of miles of road constructed 31st, 1884, was as follows:—	up to Decem	ber	
From San Francisco to Tres Pinos From Huron (via Goshen) to the west bank		).49	
Colorado River	528	3.56	
From Los Angeles (via Wilmington) to San P	edro 24	l.65	
From Carnadero to Soledad		0.40	
From Mojave to the Needles		2.51	

Miles owned...... 956.61

$Leased \ Lines.$	
MONTEREY RAILROAD,	
from Castroville Junction to Monterey	15.12
Pajaro & Santa Cruz Railroad,—	
from Pajaro to Santa Cruz 21.20	
and from Aptos to Monte Vista 5.	
And1. 80-	26.20
Total miles in operation, December 31st	997.93
72-69.66 which, in round figures, 553 miles were at that date of the state of the s	perated Pacific

4891. 90(both under lease), and 202 miles by this Company.

The road and equipment, is in excellent condition throughout. The portions of the road which were so seriously damaged by the heavy rains of last year, as mentioned in the Chief Engineer's Report, have been reconstructed and their original fast condition much improved, through the substitution of iron bridges for wooden ones and the location of new lines in many 2000 places; and as, under the terms of their lease, the lessees (the Central Pacific) were bound to keep the road in good repair, 3 674 van estimate was made of the cost of restoring the road to its original condition on the old line, and the amount so estimated was borne by the lessees; while the cost of the actual betterments to the road was assumed by this Company, and has been charged to Permanent accounts. The extra expenses on the Northern Division from same cause appear in Profit and Loss account, as also the expense of relaying with steel rails that portion of the track on this line necessary to convert to steel the entire road to Monterey.

The demands for an increase of rolling-stock from both Northern and Southern Divisions have been met, and at the close of the year there were on hand as follows:

LOCOMOTIVES 80	Cars:—
Cars:—	Stock and Caboose 26
Passenger 106	Dump and Gravel 35
Baggage, Mail and Express 18	Hand 168
Box and Combination Freight.1,299	Section
Platform 366	Other 2

#### FINANCIAL.

The Secretary's Report contains the Annual Statement of Earnings and Operating Expenses, Exhibit of same by months, Balance Sheet at the close of the last year, and statements of Profit and Loss and Funded Debt at the same date.

Statement No. 1 shows the earnings of the		
Northern Division for the last year to		
have been	\$ 1,468,176	34
as against \$1,282,512.89 the preceding year.	•	
and the Operating Expenses at	835,189	27
leaving the amount of earnings over		
operating expenses	\$ 632,987	07
The amount received for rental of the		
Southern Division (in California) was	<b>\$ 2,032,843</b>	<b>51</b>
making the total earnings for the year	\$ 2,665,830	58
or about \$84,000 in excess of the earning	s for the y	ear
preceding.	_	

Referring to the liabilities per Balance Sheet, a large amount will be found to have been reserved for payment of certain taxes in litigation, which, having been assessed by the State Board of Equalization, have been entered under the proper head of expenses in each year. These taxes will be paid from this fund whenever the Court of last resort—the Supreme Court of the United States—declares that the Company is holden for the same.

In explanation of the reasons for contesting the payment of these taxes, it may here be said, that the new Constitution of the State of California discriminates against railroad property, inasmuch as it provides that all private property, when mortgaged, shall be allowed a deduction of the amount of the mortgage from its assessed value—the mortgage paying taxes on the value of the mortgage, and the mortgagor on the balance—whereas in the assessment of railroad lands and other property belonging to railroad corporations, no deduction of the mortgage is allowed, the railroad companies being taxed for their property as a whole.

To test this question, suit was brought before the U.S. Circuit Court, which court decided that under the Fourteenth Amendment of the Constitution of the United States, such discrimination rendered the assessment against railroad property void. From this decision appeal was taken to the Supreme Court of the United States, where the case now rests.

Although the decisions by the U. S. Circuit Court, so far, have been in favor of the Company, tenders of payment on account have been repeatedly made by us to the various counties, some of which have accepted and others have refused such tenders.

Tenders have been made to the proper officers of the counties of Santa Clara and Monterey, for the entire amount assessed against the Company's property in those counties for the three years 1880, 1881, and 1882, with the stipulation that any costs or penalties claimed by the counties should not be jeopardized by the acceptance of such payment on account, and that the Company would abide the final decision in the test suit. The tender was, nevertheless, peremptorily refused.

For the year 1883, the Company has paid in open court, on account—sixty per cent of the taxes assessed by the State Board of Equalization, under a similar stipulation with the Attorney-General of the State, but up to this time the State Controller has refused to authorize the State Treasurer to receive the same.

When the taxes for the year 1884 became due, the Company made a proffer to the Controller of State—upon whose order to the State Treasurer such taxes are paid—to also pay—on account—sixty per cent of the taxes assessed for that year, under a like stipulation, but he declined to accept this proposition, also.

### NORTHERN DIVISION.

Accompanying the report of the Superintendent, will be found detailed statements of the operations of the Northern Division of the road, from which it will be seen that the prospects for a rapid growth of both freight and passenger traffic on this Division are very promising.

### CHANGE IN LEASEHOLD RELATIONS.

In January, 1884, the lease to the Central Pacific Railroad Company of the Southern Division of this Company's railroad was renewed for a term of ten years from the first day of January, 1885, on substantially the same terms as the preceding lease.

In the month of August we entered into a contract with the Atlantic & Pacific Railroad Company in respect to the sale of the Colorado Division to that Company, one of the conditions of the contract being, that until our Company could make clear title (the present mortgage including all of its lines), it should be leased by the Atlantic & Pacific Company, at an annual rental of about \$436,000, being at the rate of \$1,800 per mile for the 242,370 miles from Mojave to the Needles.

The payment of the rental for this division while operated under lease, and of the purchase price therefor when the sale is consummated, is guaranteed by the Atchison, Topeka and Santa Fe Railroad Company and the St. Louis & San Francisco Railway Company.

The amount of bonds to be issued by this Company in respect of the Colorado Division has been limited to \$30,000 per mile, the interest charge upon which reduced amount will not exceed the agreed rental for this division.

### LEASE TO SOUTHERN PACIFIC COMPANY.

In the early part of 1885 the Southern Pacific Company acquired a large majority of the stock of this Company and of the other companies forming the Southern Pacific System between the Pacific Coast and New Orleans and New York, and after giving the matter careful consideration we arrived at the conclusion that the interests of the holders of the securities of this Company would be best subserved by a comprehensive arrangement, under which all the lines forming such system should be leased to the Southern Pacific Company for a term of ninety-nine years, the lessee undertaking to operate them at its own expense and pay all charges,

including interest on bonds, our Company receiving in addition, as rental, 26½ per cent of the net earnings of all the combined lines between San Francisco and New Orleans, its relative proportion of the whole mileage.

To make the Southern Pacific an independent continuous line in California, would require the building of a railroad across the gap of about 160 miles between its Northern Division, and some point in the Tulare Valley on its Southern Division, which would thus parallel the San Joaquin Branch of the Central Pacific, over which our through business has heretofore been done with satisfaction to both Companies.

It is also manifest that the cost of conducting railroad traffic is enhanced by a multiplication of organizations, offices, and accountants; and a consolidation and concentration of the operating, mechanical, and accounting departments may therefore, be expected to lead to a reduction of expenses, and the saving of a large amount now paid out as commissions, duplicate salaries, and advertising. There will likewise be a saving in expenses in the machine and car shops, as well as in the various repair departments. Uniformity of patterns in the wearing parts of the rolling-stock and other equipment of the road can be secured, and other desirable changes and improvements more efficiently introduced, with a view to the economical maintenance of the tracks, motive power and equipment of the whole system; and the control of the several roads by one Company will also have the advantage of keeping the cars belonging to the system at home upon its own lines, under the inspection of the owners, with the economy resulting therefrom.

Moreover, the public will be gainers in having a united, single responsibility to deal with, and in place of the present embarrassing and costly method of adjusting claims for loss and damage to persons and property, the settlement of such claims will be much simplified.

As is well known, the extensions of our road from its intersection with the Central Pacific at Goshen, to Los Angeles, and subsequently to Yuma, and more recently to the Needles, were undertaken in great part for the protection of, and the

benefit it would afford to, the lines of the Central Pacific, and our relations with that Company as the lessee of our principal lines for many years, have been reciprocally beneficial. business to and from Southern California and Arizona was conducted via Ogden and Goshen; and the Southern Pacific line still continues to be an important feeder to the Central from the business poured upon it at the last-named point, gathered from the "Sunset," the Texas & Pacific, and the Atlantic & Pacific systems. Apart from the indirect benefit of protection from a more dangerous rivalry, the lessee has had an immediate profit from the leased lines, over and above the rental paid: and, financially and equitably, any obligations of the two companies to each other have been mutually discharged and satisfied. The Southern Pacific System has so far outgrown the original Central Pacific as to more than double it in mileage, and, by the recent extension of connecting roads, would soon surpass it in respect to through business. great are the advantages of one continuous line between the two oceans, crossing United States territory-with the accessories of lines of steamers plying to New York and European ports—that, for all practical freighting purposes, it becomes the shortest line between the chief Atlantic and Pacific cities, and is thus prepared to contest the business with the older transcontinental roads.

We have no hesitation in saying, that in view of all the circumstances, and of the rapid growth and development of the business of Southern California, the new lease to the Southern Pacific Company will be advantageous to us as stockholders, without prejudice to any of the other associated companies whose roads are hereafter to be controlled and operated under the same general management.

### LAND GRANT.

The operations of the Land Department are shown in the appended report of the Land Agent, which reviews the agricultural and other industrial developments of the Southern portion of the State, and contains a statement of the sales by

that department to the close of the last year; from which it will be seen that the sales for the year just closed are the largest in the history of the road, reaching nearly a million dollars.

The rapidly-increasing demand for these lands, and the great range of their adaptability for the various productions which are meeting with such ready demand, show them to be among the most valuable assets of the Company.

### BONDED DEBT.

As stated in the Trustees' Report, the cash receipts from the Land Department for the year amounted to \$521,587.67, and the First Mortgage Bonds redeemed by them to \$405,000. This, together with the redemptions \$313,000 from Sinking Fund (under authority of the Board of Directors) as entered on statement No. 4, makes a total reduction of \$718,000 during the year, in the bonded debt of the Company.

From the present prospects, we can confidently predict that the bonded debt will continue to be reduced at about the same rate annually. A redemption of \$106,000 bonds was made by the Trustees on February 18th ultimo, and they have since advertised for proposals for further redemptions of bonds; on March 24th inst., and April 21st proximo to the amount of \$200,000 in all.

Inviting you to a perusal of the accompanying reports, which we believe will confirm all that has heretofore been predicted by your Directors, we would call your attention to the comparatively light floating debt of the Company and the facts that its bonded indebtedness is being steadily reduced, the Southern portion of the State rapidly settled up, and the resources of the road constantly developed by new industries along its line; thus enhancing the value of your property and promising a constantly increasing revenue which will yield fair and satisfactory returns upon your investment.

CHARLES CROCKER,

President.



SECRETARY'S REPORT.

J. L. WILLCUTT.

# SECRETARY'S OFFICE.

SAN FRANCISCO, March 10th, 1885

CHARLES CROCKER, Esq.,

President.

Sir:—

Herewith I hand you Statements (numbered 1 to 7 inclusive) of the business of the road for the year ending December 31st, 1884, and showing the financial condition of the Company at that date.

Respectfully submitted,

J. L. WILLCUTT,
Secretary.



## No. I.

# Statement of Earnings and Operating Expenses for the Year ending December 31st, 1884.

NORTHERN DIVISION.		
EARNINGS.		
Freight Passenger Express Rental Storage Miscellaneous. Mail. Telegraph Total Earnings	\$ 762,563 33 641,293 02 16,566 13 9,991 02 4,619 35 14,571 76 3,000 00	\$ 1,468,176 34
OPERATING EXPENSES.		
Expense of Superintendents Station Service Crain Service Cocomotive Service Office Expense Stationery and Printing Advertising Water Service Repairs of Tools "" Track "" Buildings. "" Engines. "" Cars "" Bridges and Culverts "" Fences. Mail Service Loss and Damage (property) Damages (personal) Expense of Leased Road	\$ 6,436 75 90,776 37 92,791 40 190,056 62 43,641 09 9,014 83 18,005 69 6,741 12 4,946 11 161,477 04 19,145 11 35,269 69 58,799 12 19,211 42 21,559 10 1,027 31 807 50 838 21 844 79 52,200 00	
Total Operating Expenses		835,189 27
Earnings over Operating Expenses		\$ 632,987 07
SOUTHERN DIVISION		
Rental of Leased Road		2,032,843 51
TOTAL EARNINGS		\$ 2,665,830 58

J. L. WILLCUTT, Secretary.

# No. 2.

Exhibit of Earnings and Operating Expenses by Months, for the Year Ending December 31st, 1884.

					EARNINGS	Z	s S							
	January.	January. February.	March.	April.	May.	June.	July.	August.	September	August. September October. November December	November	December	Total.	[
Freight	36,977 74	35,729 36	52,377 21	47,434 38	69,750 56	52,786 37	70,974 31	78,390 39	85,680 91	100,645 46	75,520 06	56,296 58	56,296 58 \$ 762,563 33	18
Passenger	37,735 16	33,516 69	39,053 04	44,366 93	67,812 40	70,133 58	70,133 58 74,698 94	67,242 22	58,465 57	57,844 11	46,887 89	43,536 49	641,298 02	]
Express	1,122 55	1,017 05	1,221 29	1,568 11	1,666 91	1,751 91	2,238 51	2,200 83	1,557 63	1,661 90	1,222 40	1,337 04	18,666 13	
Rental	809 07	825 57	810 57	727 57	821 67	825 32	848 97	891 12	845 68	864 69	880 82	850 07	9,991 02	
Storage	28 03	40 95	13 14	18 78	27 58	77 92	1,956 18	416 13	495 13	775 09	<b>434</b> 04	346 43	4,619 35	
Miscellaneous	1,359 92	88 897	728 40	378 79	1,636 62	878 78	510 42	2,486 85	1,584 87	978 51	297 70	3,767 54	14,671 78	
Mail	1,130 98	1,130 98	1,130 98	1,130 98	1,130 98	1,130 98	1,130 98	1,130 98	1,130 98	1,130 98	1,130 98	1,130 98	13,571 76	
Telegraph	250 00	250 00	250 00	250 00	250 00	250 00	250 00	250 00	250 00	250 00	250 00	250 00	3,000 00	
Total Barnings 79,413 45	79,413 45	72,978 98	95,584 63	95,875 54 143,096 57 127,329 81 152,608 81 158,008 52 150,610 77	143,096 57	127,329 81	152,608 81	153,008 52	150, <b>61</b> 0 77	164,140 74	126,618 89	107,515 13	164,140 74 126,618 89 107,515 13 1,468,176 84	

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J. L. WILLCUTT, Secretary.

+ Reserve for payment of Taxes in litigation.

# SOUTHERN PACIFIC RAILROAD.

# No. 3. Balance Sheet of General Ledger, December 31st, 1884.

DR.

C.

Real Estate.         663,7           Equipment.         3,383,3           Buildings, and other Structures.         1,249,3           Machinery and Tools in shops         \$94,278 83		00 007'800'55 ¢
<del> </del>	663,770 04 First Mortgage Bonds	32,932,000 00
<del></del>	3,333,343 80 Land Trust Fund (Mills and Lansing, Trustees)	248,752 25
Machinery and Tools in shops \$94,278 83	1,249,377 06   Sinking Fund (balance)	450 00
	† Taxes in Suspense	446,790 92
Road Tools	104,910 19 Interest Coupons (not presented)	25,710 00
Repair Material (in shops and on road) 96,9	96,988 09 Audited Vouchers	72,574 93
Fuel 20,5	20,546 30 Current Accounts	241,111 46
Office and Station Furniture, and Telegraph Instruments	69,568 72	
Capital Stock Wells, Fargo & Co	00 000:388	
Atlantic & Pacific Railroad Co. (unpaid rental)	109,066 50	
Current Accounts	263,901 58	
Cash in hands of Treasurer	20,642 66	
	Profit and Loss	\$78,006,489 56 2,660,333 40
\$ 80,686,822 96	96,822 96	\$ 90,666,822 96

Dr. Statement of Profit and	Loss for Yea	Statement of Profit and Loss for Year Ending December 31st, 1884.	C.R.
To General Expense	\$ 74,774 15	\$ 74,774 15 By Balance December 31st, 1883	\$1,664,851 96
Legal Expense.	40,373 55	Road Earnings (Northern Division) \$ 1,468,176 84	
* Taxes and Street Assessments	292,374 78	Less, Operating Expenses 835,189 27	
Insurance	390 00	\$ 632,987 07	
Interest	1,862,340 60	Do. Lease—Southern Div.—Ner. 2,032,848 51	2,665,830 58
Sinking Fund (annual appropriation)	100,000 00	Redemption of Bonds (through sales of lands, etc.)	405,000 00
Renewal of Track(Northern Division)	83,457 52	Do. (from Sinking Fund for 1882-3-4)	313,000 00
Extraordinary Expense (caused by washouts) do.	14,174 64	Dividends on W., F. & Co. Stock	29,586 00
Balance December 31, 1884.	2,660,333 40		
	\$5,078,218 54		\$5,078,218 54
		† By Balance brought down	\$2,660,383 40

[ 21 ]

J. L. WILLCUTT, Secretary.

<sup>\*</sup> Paid or provided for.
† This balance is not available for distribution as dividends, as it represents expenditures made in redeeming First Mortgage Bonds.

# No. 6.

# Funded Debt, December 31st, 1884.

)	FIRST MONIGAGE BOINDS.	ž —	ISSUED.	REDE	REDEEMED.	INTEREST 6%.	
DUR	WHEN DUR. AUTHORIZED.	NUMBER BONDS.	AMOUNT.	FROM LAND SALES.	FROM SINKING FUND.	WHEN PAYABLE.	REMARKS.
1, 190	Apr. 1, 1905 \$ 15,000,000	17,000	\$ 15,000,000	\$ 987,000		Oct. 1 and Apr. 1.	Proceeds of Land Sales and a Sinking
Oct. 1, 1905	5,000,000	2,000	5,000,000	20,000		Apr. 1 and Oct. 1.	runa or strong which the re-
Oct. 1, 1906	5,000,000	2,000	5,000,000	333,000		Apr. 1 and Oct. 1.	Redeemed in 1877\$220,000
Oct. 1, 1906	6 5,000,000	2,000	5,000,000	241,000	:	Apr. 1 and Oct. 1.	
Apr.1, 1912	2 5,000,000	6,000	5,000,000	551,000	318,000	Oct. 1 and Apr. 1.	1882 588,000
Apr.1, 1912	5,000,000	283	582,000	205,000		0ct. 1 and Apr. 1.	1884 718,000
			\$ 35,582,000	\$ 35,582,000 \$ 2,337,000	\$ 313,000		Total amount redeemed \$2,650,000
							AMOUNT OUTSTANDING\$32,932,000

### No. 6.

# Comparative Statement of Earnings and Operating Expenses for the Years 1881, 1882, 1883 and 1884.

NORTHERN DIVISION.	Year December	Ending 31st, 1881.	Year December	Ending 31st, 1882.	Year December	Ending 31st, 1883.	Year December	Ending r 31st, 1884.
EARNINGS.								
Freight Passenger Express Rental Storage Miscellaneous Mail Telegraph	475,443 06 12,822 28 11,791 31 6,101 87 7,597 40 12,400 56		\$ 672,295 16 531,240 83 13,767 80 11,497 27 6,063 51 7,023 16 12,511 62 3,000 00		\$624,668 77 600,044 00 16,484 75 10,777 21 5,391 93 8,574 47 13,571 76 3,000 00		\$ 762,563 33 641,293 02 18,566 13 9,991 02 4,619 35 14,571 73 13,571 76 3,000 00	
Total Earnings *		1,158,014 78		1,257,399 35		1,282,512 89		1,468,176 34
OPERATING EXPENSES.							IF/	
Expense of Superintendents. Station Service. Locomotive Service. Locomotive Service. Office Expense. Stationery and Printing. Advertising. Water Service. Repairs of Tools. Track. Buildings. Engines. Engines. Cars. Bridg's & Culverts Fences. Miscellaneous Expense. Mail Service. Loss and Damage (property). Damages (personal). Expense of Leased Road.	73,086 31 144,834 26 8,596 90 7,212 85 9,484 32 3,684 60 98,554 41 21,012 73 48,617 35 15,717 17 5,362 04 1,071 30 981 51		5,565 01 82,577 91 78,810 57 139,884 76 37,887 253 7,131 79 6,533 40 4,808 21 96,468 57 8,354 15 25,339 21 54,118 10 23,054 39 9, 126 37 851 51 586 75 956 47 3,634 21 20,640 70		5,716 52 83,236 54 82,726 54 172,048 24 40,609 98 9,040 61 9,419 80 110,783 01 11,510 96 32,556 42 50,165 09 12,040 54 4,677 86 758 64 752 50 926 00 412 73 20,400 00		6,436 75 90,776 37 92,791 46 196,656 52 43,641 09 9,014 83 13,005 69 6,741 12 4,946 11 161,477 04 19,145 11 35,299 69 558,799 12 19,211 42 21,559 10 1,027 31 807 50 838 21 844 79 52,200 00	
Total Operating Exp. *		587,125 26		614,891 78		658,870 87		835,189 27
Earnings over Op. Exp	.,	570,889 52		642,507 57		623,642 02		632,987 07
SOUTHERN DIVISION.								
Rental of LEASED ROADS		1,650,600 00		1,666,666 00		1,958,197 04		2,032,843 51
TOTAL		2,221,489 52		2.309.173 57		2,581,839 06		2,665,830 58

 $\boldsymbol{\divideontimes}$  Percentage of Operating Expenses to Earnings.

Year 1881......50,70,7%

" 1882......48100%

" 1883......51<sub>130</sub>%
" 1884.....56<sub>100</sub>%

J. L. WILLCUTT, Secretary.

J. L. WILLCUITT, Secretary.

\* Overcharge in mileage adjusted in 1879.

# SOUTHERN PACIFIC RAILROAD.

No. 7.

Exhibit of Earnings and Operating Expenses from October, 1870, to December, 1884.

					[	24		]									
	Road.	Average Total at Oper- end of ated. Year.	91.99	111 15	153.45	202.09	256.89	256.89	718.09	713.09	718.09	713.09	726.21	726.21	806.54	990.22	994.92
SUMMARY.	Miles of Road.	Average Oper- ated.	91.99	103.12	147.38	197.54	256.36	256.89	534.92	684.94	713.01	70.907	720.72	726.21	786.91	952.77	994.92
ROS	Earnings		\$ 207,670 44	347,577 90	576,572 42	68 890'669	1,130,071 02	1,020,509 78	1,828,830 69	1,050,702 55	2,155,704 03	1,998,316 71	2,097,614 02	2,221,489 52	2,309,173 57	2,581.839 06	2,665,*30 58
i	Miles of Road.	Total at end of Year.		:	24.09	41.20	96.00	96.00	552.20	552.20	552.20	552.20	550.20	550.30	630.58	792.71	192.71
LEASED LINES.	Miles o	Average Oper- ated.		:	24.09	39.34	96.47	98.00	874.03	524.05	552.12	545.18	550.20	650.20	260.90	755.26	792.71
LEASE		Net Rental.			\$ 37,800 00	94,515 21	229,040 00	288,000 00	1,122,910 74	871,008 80	*1,656,360 00	1,685,554 93	1,650,600 00	1,650,600 00	1,666,666 00	1,958,197 04	2,032,843 51
	Road.	Average Total at Oper- ated. Year.	91.99	111.16	129.38	160.89	160.89	160.89	160.89	160.89	160.89	160.89	176.01	176.01	176.01	197.61	202.3
	Miles of Road.	Average Oper- ated.	91.99	103.12	123.29	158.20	160.89	160.89	160.89	160.89	160.89	160.89	170.52	176.01	176.01	197.61	202.21
	Ratio	Oper- ating Expenses	Per centum. .51715	. 51982	.45988	.56593	.58078	.46219	.45955	.55785	.50749	.59209	.56125	.50701	.48901	.61378	.56886
	Earnings	over Operating Expenses.	\$ 207,670 44	847,577 90	538,772 42	804,548 78	901,031 02	732,509 73	705,919 95	179,698 75	499,344 03	362,761 78	447,014 02	570,889 52	642,507 57	623,642 02	632,987 07
NORTHERN DIVISION.		Cxpenses.	\$ 222,427 06	376,278 11	458,739 14	463,674 34	650,385 52	852,329 63	600,269 03	226,730 39	514,542 55	526,565 35	571,829 98	587,125 26	614,891 78	668,870 87	835,189 27
NORTHERN		Earnings.	\$ 430,097 50	723,856 01	997,511 56	1,068,223 12	1,551,416 54	1,584,839 36	1,306,188 98	406,429 14	1,013,886 58	889,327 13	1,018,844 00	1,158,014 78	1,257,399 35	1,282,512 89	1,468,176 34
		_	, 1871	1872	1873	1874	1875	1876	1877	, 1877	1876.	1879	1880.	1881	1882	1883.	1884
		, 1870	e 30th	:	:	=	3	:	:	c. 31st	2	:	=	=	:	=	:
		Period. Oct. 1st	n Jan	:	:	:	:	:	:	ending Dec. 31st,	3	3	3	:.	=	=	:
		PERIOD. (From Oct. 1st, 1870.)	Nine mos. ending June 30th, 1	:	:	:	:	:	;		:	3	:	3	=	=	:
		F)	le moe	For year	:	:	;	:	3	Six mos.	For year	:	:	:	=	:	=
	1		K	For	3	3	3	3	3	Six	Fo	:	3	3	:	*	=

# Superintendent's Report.

A. C. BASSETT.



( NORTHERN DIVISION.)

# SUPERINTENDENT'S OFFICE.

San Francisco, March 16th, 1885.

CHAS. CROCKER, Esq.,

President Southern Pacific R. R.

Sir:—

I respectfully present to you the following report of the business of this Division for the year ending December 31st, 1884.

The number of miles of road operated for the year was 202.21, as follows:

San Francisco to Tres Pinos	.100	. <b>4</b> 9
Carnadero to Soledad	. 60	. <b>4</b> 0
Castroville Junction to Monterey	. 15	. 12
Pajaro to Santa Cruz	. 21	. 20
Aptos to Monte Vista	. 5	
Total	. 202	.21

The Loma Prieta Railroad (Aptos to Monte Vista) having been added to mileage of previous year, its earnings are included in this report.

## The equipment consists of:—

Locomotives	Short Caboose Car 1
Parlor Cars 2	Box and Combination Cars366
Passenger Coaches 49	Flat Cars
Passenger and Baggage Cars 2	Stock Cars 8
Smoking Cars:	Pile Driver Cars 2
Excursion Cars	Hand Cars 42
Emigrant Sleeper 1	Push Cars
Baggage Cars	Stone Cars
Officers* Car	Wood Car 1
Pay Car 1	Logging Cars 12
Boarding Car 1	Coal Cars 2
Long Caboose Cars 5	

Three locomotives (18 x 24 cylinders, 6 ft. drivers) were purchased from the Schenectady Locomotive Works during the year, for the Monterey fast run; and one from the Baldwin Locomotive Works, for use on the Loma Prieta branch. first-class passenger coaches were added, which were purchased from the Dayton (Ohio) Works; and one pile-driver, purchased from the C. P. R. R. At the S. P. R. R. shops, twelve flat cars, two coal cars, and seven hand and four push cars were built and added to the equipment. One new baggage car was purchased from the C. P. R. R., and one built at our One baggage car was changed to a passenger and baggage car, and one changed to a caboose. Twelve dump cars were changed to logging cars. Three short cabooses were taken out of service, being unfit for use.

Locomotive service cost \$232,243.09, equal to 27.99 cents per mile run. Miles run to one ton of coal, 46.26.

The traffic for the year as compared with 1883 was as follows:—

TRAIN MILES.	1884.	1883.	Increase.	Per Cent.
Passenger	405,756	386,988	18,768	4.84
Freight	170,180	157,305	12,875	8.18
Sérvice	253,539	196,291	57,248	28.85
Total	829,475	740,584	88,891	12.00
No. of Passengers carried	705,131	604,077	101,054	16.72
Tons of Freight moved	363,434	293,801	69,633	23.86

[ 29 ]

The earnings for the year as compared with 1883 were :--

	1884.		1883.		1	Increase or Decrease.		Per Cent.
Freight	<b>\$</b> 762,563	33	\$ 624,668	77	Inc.	<b>\$</b> 137,894	56	22.07
Passengers	641,293	02	600,044	00	"	41,249	02	6.87
Mail	13,571	76	13,571	76		••••		
Express	18,566	13	16,484	75	Inc.	2,081	<b>3</b> 8	12.62
Miscellaneous	32,182	10	27,743	61	•	4,438	49	15.99
Total	1,468,176	34	1,282,512	89	Inc.	185,663	45	14.47
Operating Expenses	835,189	27	658,870	87	"	176,818	40	26.76
Earnings over Opr. Expenses	632,987	07	628,642	02	Inc.	9,345	05	1.49
Gross Earnings per Mile	7,260	65	6,483	89	"	776	76	11.97
Earnings over Op. Exp. per Mile	3,130	34	8,152	89	Dec.	22	55	.71
Per cent. of Opr. Expenses	56	88	51	37	Inc.	5	51	

The heavy rains of the late Spring caused serious damage to the Salinas River bridge, rendering it temporarily impassable for trains, and necessitating the transfer of freight and passengers by ferry. Heavy expense was also incurred on the Loma Prieta line, from the same cause. During the year 5.92 miles of main line were relaid with steel, giving a continuous steel rail track from San Francisco to Monterey. The number of ties used for renewals has been greater than for any previous year. The track is in excellent condition, and with the erection of a span bridge over Salinas River (which will be completed during the present season) a frequent cause of extraordinary expense in the past, it is hoped will be dispensed with. About twenty miles of new fencing was built in 1884.

While the crop returns of the year were most gratifying, there remained on hand in warehouses on the line of the road at the close of the year, 53,156 tons of grain. The opening of the Loma Prieta line has added to our traffic an extensive business in forest products, which cannot but continue for many years to come, it being estimated that there is at least twenty years' supply of timber in that region, which must

find its outlet over this road. The passenger business has been very satisfactory, and there is every prospect for its steady increase. The reports of the Passenger and Freight Agents, which accompany this, contain the details relative to the business of those departments.

Monterey, as a winter resort, is growing rapidly in favor as its advantages become known, and is being well patronized by large excursion parties seeking to avoid the severe winters of Eastern States; while, as a summer resort, its hotel capacity is taxed to accommodate the business of this coast alone. At this writing, the general business outlook of the road is good; and while the season is not sufficiently advanced to predict with certainty, the prospects for an excellent crop of grain and fruits are most promising. There have been no accidents worthy of mention during the year.

Respectfully yours,

A. C. BASSETT,

Superintendent.

(NORTHERN DIVISION.)

# GENERAL FREIGHT OFFICE.

San Francisco, March 6th, 1885.

A. C. BASSETT, Esq.,

Supt. and Genl. Frt. Agt., Northern Division, S. P. R. R.,

Sir:—

Herewith please find detailed statement of freight traffic for the year 1884, and comparison with the previous year.

Respectfully,

E. J. MARTIN, JR.,
Asst. Gen. Freight Agt.

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(NORTHERN DIVISION.)

# Comparative Statement of Freight moved in the years 1883 and 1884.

Year ending December 31st, 18	33.	Year ending December 31st, 18	34.
Articles.	Tons.	Articles.	Tons.
Asphaltum	47	Brick, Lime, Cement, Stone and Sand	18,514
Brick	7,372	Coal, Coke and Charcoal	24,850
Charcoal	188	California Wines and Brandies	493
Coal	21,069	Fruit	4,365
Fence Posts	1,730	Farm Products (not otherwise spec'd)	10,230
Flour	9,935	Flour and Millstuffs	19,677
Fruit	4,925	Grain	89,646
Grain	62,824	Hay and Straw	22,197
Нау	18,700	Leather, Hides and Pelts	1,245
Lime	3,260	Lumber and other Forest Products	46,897
Lumber	22,880	Milk	3,640
Milk	3,746	Pottery	177
Pickets	1,550	Quicksilver	714
Quicksilver	1,423	Straw Paper and Boards	1,201
Shingles	1,980	Live Stock	30,814
Live Stock	26,200	Wood	13,744
Tan Bark	250	Wool	855
Vegetables	6,304	Miscellaneous Articles	74,175
Wood	5,810		
Wool	1,385	·	
Miscellaneous Articles	92,223		
Total	293,801	Тотац	363,434
Tons hauled one mile		1883. 1884. 	180
Freight Earnings	• • • • • • •	\$ 624,668 77 \$ 762,563	33
Per mile operated	· · · · · · · · · · · ·		33

E. D. THOMAS,
Freight Auditor.

E. J. MARTIN, JR., Asst. Gen. Freight Agt.

# Report of freight forwarded North and South, for the year ending December 31st, 1884. SOUTHERN PACIFIC RAILROAD. (NORTHERN DIVISION.)

# NORTH

ARTICLES.	January.	February.	March.	April.	May.	June.	July.	August.	September	October.	November December.	December.	Total.	
Brick, Lime, Cement, Stone and Sand	Lbs. 3,206,095	Lbs. 1,616,780	Lbs. 1,323,495	Lbs. 1,186,940	Lbs. 3,160,299	Lbs. 2,499,720	Lbs. 2,655,000	Lbs. 3,357,505	Lbs. 4,431,355	Lbs. 3,706,615	Lbs. 3,705,205	Lbs. 3,038,535	Lbs. 33,887,544	
Coal, Coke and Charcoal	81,500	2,680	21,850	80,475	29,280	21,099	196,010	59,490	55,000		15,746	3,720	483,850	
California Wines and Brandles	17,363	16,145	24,115	5,566	5,665	6,571	15,147	194,445	280,625	109,248	11,765	79,505	766,150	
Fruit	572,475	287,647	186,865	50,344	198,362	250,068	386,138	1,034,371	911,216	2,190,213	598,329	421,208	7,147,236	
Farm Products (not otherwise specified)	1,546,639	1,331,732	1,407,239	993,446	843,662	729,669	503,582	990,940	1,208,327	2,385,477	2,941,769	8,167,273	18,049,755	[
Flour and Millstuffs	8,050,147	8,277,538	1,759,056	1,656,500	617,739	460,214	1,547,244	2,753,964	2,941,749	4,332,294	2,079,935	4,069,894	28,546,274	3
Grain	5,582,779	10,371,979	14,616,298	12,032,489 15,571,670	15,571,670	8,478,716	13,388,504	13,388,504 17,111,067	17,449,219	28,098,761	18,255,294	12,522,532	173,474,308	4
Hay and Straw	2,061,325	1,099,550	1,380,230	2,220,850	2,251,380	1,592,110	4,730,410	7,109,940	6,789,523	5,319,890	3,242,275	2,022,615	39,820,098	]
Leather, Hides and Pelts	112,825	78,008	116,109	106,336	67,420	95,620	138,932	98,595	113,919	79,291	128,268	113,005	1,248,318	
Lumber and other Forest Products	1,704,380	660,085	1,835,815	1,573,565	2,068,445	5,362,455	4,744,855	4,537,840	4,339,415	3,172,444	3,446,182	2,259,235	33,703,716	
Milk	539,610	507,170	615,720	659,880	690,580	612,780	652,830	691,530	571,050	677,770	559,830	590,820	7,269,570	
Pottery	53,950	59,370	1,425	29,290		***************************************	505	1,365	83,240		6,020		234,165	
Quicksilver	27,290	109,270	212,960	235,397	119,305	138,175	102,235	69,620	24,080	162,515	132,200	95,700	1,428,747	
Straw-paper and boards	171,176	258,895	202,592	230,930	324,968	240,580	134,286	249,711	105,310	196,196	198,790	79,845	2,388,279	
Live Stock	2,359,799	1,659,834	1,393,501	2,686,235	6,612,151	7,414,926	9,847,144	7,239,898	5,552,133	4,876,190	2,830,801	2,929,422	54,402,034	
Wood	260,000	122,960	285,000	735,000	1,195,000	1,695,000	8,017,375	3,464,538	3,510,750	3,321,100	3,369,102	1,208,750	22,184,575	
Wool	1,395	1,478		148,159	580,230	143,005	14,817	45,492	150,110	199,503	104,921	11111	1,390,216	
Miscellaneous Articles	1,849,005	2,252,865	2,342,986	2,329,749	2,094,697	2,882,717	8,181,011	8,504,194	8,750,401	8,071,743	2,448,636	1,660,154	81,363,158	
Totals	23.197.753	23,708,981	97 795 956 96 011 151	96 011 151	84 490 859	90 818 405 44 75E 015	44 752 015	80 814 BOS	En 001 400	A1 900 080	20 K11 K0K K0 001 400 K1 000 000 14 000 000 100 001	- Comp 100		

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Brick, Lime, Cement, Stone and Sand	94,195	58,845	168,083	518,040	205,469	177,490	141,267	205,230	666,345	422,475	295,790	187,705	8,140,989
Coal, Coke and Charcoal	3,962,055	2,824,716	4,512,264	2,277,368	8,419,270	5,993,936	5,337,800	3,217,091	4,408,552	3,530,291	6,454,429	3,279,220	49,216,492
California Wines and Brandies	8,685	8,990	7,910	3,815	30,495	19,687	18,180	14,972	18,125	39,580	27,961	20,790	219,190
Fruit	22,210	16,151	16,305	16,580	11,420	0#8'83	239,839	505,598	329,947	185,618	103,931	47,142	1,583,581
Farm Products (not otherwise specified)	175,038	138,729	229,239	165,190	120,854	90,424	78,839	107,148	66,440	278,249	700,997	263,549	2,409,226
Flour and Millstuffs	1,009,052	629,630	645,485	509,187	540,606	833,193	1,053,195	1,006,283	1,280,330	1,264,578	1,122,953	912,811	10,807,303
Grain	704,958	329,380	134,872	332,608	273,150	456,678	363,559	293,586	676,381	1,005,251	455,915	791,877	5,818,215
Hay and Straw	504,915	122,725	112,980	330,535	227,510	413,968	295,290	589,480	995,215	840,550	20,000	119,710	4,572,878
Leather, Hides and Pelts	71,930	139,633	140,757	98,747	78,686	96,994	163,364	106,211	97,352	64,755	85,070	97,800	1,241,299
Lumber and other Forest Products	1,468,125	973,996	2,553,572	1,909,096	4,079,620	2,199,287	1,767,990	9,053,405	9,765,260	9,765,260 10,493,385 12,493,931	12,493,931	3,332,502	60,090,169
Milk	930	360		:			1,140	1,860	1,740	1,860	1,080	930	9,900
Pottery	60,525				8,510	20,555	1,170	1,410	23,555	1,930	1,700	1,020	120,375
Quicks lver		:		:		:	:	:	:	:		:	:
Straw-paper and boards	3,100	:	1,400	:	•	1,090	3,550	:	1,900	:	086	096	12,980
Live Stock	176,300	183,167	447,500	655,600	633,124	428,630	339,147	261,495	532,040	1,535,000	1,055,800	978,600	7,226,893
Wood	1,060,000	285,000	350,000	140,000	350,000	125,000	740,000	961,875	280,000	552,500	865,000	95,000	5,304,375
Wool	14,832	17,044	22,092	23,045	19,626	19,142	45,378	14,000	14,647	15,380	18,107	96,546	318,839
Miscellaneous Articles	5,446,752	5,817,413	7,621,605	9,167,927	11,425,836	11,425,836 11,414,993	8,805,253	12,271,477	11,832,950	12,271,477 11,832,950 14,699,851	10,122,433	8,361,095	116,987,584
Totals	14,788,602	14,738,602 11,545,779 16,964,069	16,964,069	16,147,738	21,424,175	22,379,897	19,393,991	28,611,171 30,990,779	80,990,779	34,926,258	33,326,077	18,686,257	269,079,788
GRAND TOTALS	37,981,355		35,251,760 44,689,325	43,058,889	57,855,028	62,998,322	64,150,006	81,125,676 88,285,201	88,285,201	96,225,503	77,394,135	52,849,581	726,867,781

E. D. THOMAS, Freight Auditor.

E. J. MARTIN, JR., Asst. Gen. Freight Agt.

(NORTHERN DIVISION.)

# GEN'L PASSENGER AND TICKET DEPARTMENT.

San Francisco, March 7th, 1885.

A. C. BASSETT, Esq., Supt. Northern Division S. P. R. R.,

Sir:-

I submit herewith report of passengers transported over the "Northern Division" of the road during the year ending December 31st, 1884, together with statements of passengers carried during the years 1881, 1882, and 1883.

Respectfully,

H. R. JUDAH,
Asst. Passenger and Ticket Agt.

(NORTHERN DIVISION.)

# Passenger Movement for the Year ending December 31st, 1881.

Classification.	Southward.	Northward.	Total.	Passengers Hauled One Mile.	Average Dist. Traveled by Each Passenger
Local. Connecting Lines. Excursion. Commutation.	140,817 <del>]</del> 7,780 <del>]</del> 48,225 44,148	138,583 8,125 48,300 44,154	279,400½ 15,905½ 96,525 88,302	10,379,282 1,057,428 3,467,106 2,027,579	37 15-100 Miles. 66 48-100 " 35 92-100 " 22 96-100 "
Totals	240,971	239,162	480,133	16,931,395	35 23-100 Miles.

# Passenger Movement for the Year ending December 31st, 1882.

Classification.	Southward.	Northward.	Total.	Passengers Hauled One Mile.	Average Dist. Traveled by Each Passenger.
Local	152,612\frac{1}{3} 10,235\frac{1}{2} 56,766\frac{1}{3} 49,384	150,071½ 9,748½ 56,890½ 49,386	302,684 19,984 113,657 98,770	11,403,531 1,335,258 4,512,054 2,106,508	37 67-100 Miles. 66 82-100 '· 39 70-100 '' 21 33-100 ''
Totals	268,9981	266,0961	535,095	19,357,351	36 18-100 Miles.

# Passenger Movement for the Year ending December 31st, 1883.

Classification.	Southward.	Northward.	Total.	Passengers Hauled One Mile.	Average Dist. Traveled by Each Passenger.
Local. Connecting Lines. Excursion Commutation.	182,025 3,737 65,563 52,842½	177,604 3,780 65,680 52,845}	359,629 7,517 131,243 105,688	14,163,535 676,545 5,467,116 2,284,855	39 38-100 Miles. 90 00-100 " 41 66-100 " 21 62-100 "
Totals	304,1671	299,9091	604,077	22,592,051	37 40-100 Miles.

# Passenger Movement for the Year ending December 31st, 1884.

· Classification.	Southward.	Northward.	Total.	Passengers Hauled One Mile.	Average Dist. Traveled by Each Passenger.
Local	213,764 3,368½ 73,193 64,253½	210,I18 2,976½ 73,202½ 64,254½	423,882 6,345 146,3951 128,508	15,867,710 536,385 6,189,695 2,760,685	37 43-100 Miles. 84 54-100 " 42 28-100 " 21 48-100 "
Totals	354,579	350,5511	705,130½	25,354,475	35 96-100 Miles.

# Recapitulation.

### PASSENGERS CARRIED.

Classification.	1881.	1882.	1883.	1884.
Local Connecting Lines Excursion Commutation	279,400½ 15,905½ 96,525 88,302	302,684 19,984 113,657 98,770	359,629 7,517 131,243 105,688	423,882 6,345 146,3951 128,508
Totals	480,133	535,095	604,077	705,1301

H. R. JUDAH, Assistant Passenger and Ticket Agent. LAND AGENT'S REPORT.

JEROME MADDEN.



## LAND DEPARTMENT.

San Francisco, Cal., December 31, 1884.

To the President and Directors of the Southern Pacific Railroad Company,

Gentlemen: I take pleasure in reporting that the past year (1884) in California has been one of great prosperity. Crops have been abundant, immigration large, development of the great resources of the State and its capacities very marked, and progress in wealth and importance rapid. country is being fast settled up with an energetic and thrifty population. Investments in land all over the State, particularly in Southern California, have been eagerly sought for and freely made, and the entries of Government lands in outlying districts remote from the railroad have been very numerous. Railroad lands have been in brisk demand, and have been purchased largely, 355,000 acres, as you will see by the annexed Annual Statement, having been sold by this Department alone. Prospects for the future are very bright, especially so from an agricultural point of view. Thousands of acres of new vineyards and orchards will come into bearing this year to swell the wine and fruit supply, which is finding a ready market not only in the Eastern States but in Europe. The trade in these

articles is increasing enormously. Add to this the grain and other vegetable produce, including valuable forage plants grown on additional areas lately brought into cultivation under the stimulus of irrigation which has been wonderfully extended during the last two or three years; the raising of horses, neat cattle and sheep; the productions of the dairy, wool, gold, silver, copper and iron; a commanding geographical position, and a fine climate suited to the development of every energy; and conditions for future prosperity and progress are given, which do not exist to the same extent in any other country in the world.

As people come in from other States and from Europe, and as new districts are settled, discoveries are made of fresh resources for the profitable development of horticulture and agriculture and other industries.

A large body of railroad land on Mojave plains, in the vicinity of Lancaster Station, considered some years ago to be of little value, is selling rapidly in consequence of the discovery there of subterranean water which flows through artesian borings to and over the surface of the ground. soil is good, and when wet is found to be very productive. It is expected that this district will sustain a large population, and give them comfortable homes. Many other localities within the land grant of the Company, considered heretofore undesirable or too distant from the line of the railroad, are in consequence of increased population coming into notice, and the lands there are becoming salable. As the rainfall thus far this winter has been unusually propitious for farming operations of every kind, I feel assured that the business of this Department for the coming year will be satisfactory in every respect.

Respectfully submitted,

JEROME MADDEN,

Land Agent.

# ANNUAL STATEMENT 1884.

# Statement of business of the Land Department to December 31st, 1884.

# SALES.

	Number	of Acres and	l how sold.		From com- mencement of Sales to Dec. 31, 1883, inclusive. Consideration.	From Jan. 1, 1884, to Dec. 31, 1884, inclusive. Consideration.	Total.
	"".	• • • • • • • • • • • • • • • • • • • •	169,072.97 18,449.29		\$ 454,297 99	<b>\$</b> 75,435 92	
	To	tal	• • •	197,522.26			\$ 529,733 91
" on	Credit	• • • • • • • • • • • • • • • • • • • •	519,531.53	••••••	<b>\$ 2,552,666</b> 59	\$ 894,242 81	
	To	tal		855,638.68	İ		\$ 3,446,909 40
Grand To	tal Decemb	er 31st, 1884		1,043,160.94	\$ 3,006,964 58	\$ 969,678 73	\$ 3,976,643 31
Recar	pitulation-				<del>'</del>	<u>'</u>	<u>'                                    </u>
-			34, For Cash		18,449.5	29 ) 15 \ 854,556.44	for <b>\$969,</b> 678.73
		•			-	=	# 0 074 440 B1
		•	•		043,160.94 amou	inting to	\$ 8,976,648 31
contrac	ts to Decem	nber 31, 188	presented by c 4 — said lands	having }	49,251.81	" "	197,384 56
		Leavi	ng		993,909.13	" "	\$3,779,258 75
		Avera	gre price per a	cre			\$ 3.802+
			<del></del>				
			CASH	RECE	IPTS.		
					From com- mencement of Sales to	tó í	Total Receipts
					Dec. 31, 1883, inclusive.	Dec. 31, 1884, inclusive.	Dec. 31, 1884, inclusive.
						\$ 75,435 92	\$ 529,733 91
First payme	int on Time	e contracts . In remainder	due on Time	Contracts	514,470 23 158,418 50	188,471 72 50,014 53	702,941 95 208,433 03
Second "	"	"		" `	124,779 73	14,433 67	139,218 40
Third "	"	"	"	"	85,487 45	21,375 82	106,868 27
Fourth "	"	"	" "	,,	41,550 18 28,208 33	29,272 77 5,910 83	70,822 95 34,119 16
Sixth "	"	"	"	"	15,591 96	1,371 58	16,963 54
Seventh "	"	"	"	"	5,421 33	1,322 19	6,743 52
Eighth "	"	"	" "	"	1,859 94	262 33	1,622 27
Ninth "Tenth "	"	"	"	"	103 40	157 16 82 21	260 56 82 21
1011011	of purchas	e money on !	Time Contract	•••	591,075 00	133,476 94	724,551 94
Amo	unt received	l on account	of Sales		2,020,764 04	521,587 67	2,542,351 71
Leases of R Timber, Stu	ailroad Lar ımpage, Ri	nds ght of Way,	etc		233,278 08 2,658 45	21,402 96 50 00	254,681 04 2,708 45
Total	amount re	ceived and p	aid over		\$2,256,700 57	\$543,040 63	\$2,799,741 20

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CHIEF ENGINEER'S REPORT.

GEO. E. GRAY.



# OFFICE OF CHIEF ENGINEER.

San Francisco, February 2nd, 1885.

To the President and Directors of the Southern Pacific Railroad:

Owing to the suspension of construction, this department cannot show an increase of mileage over that shown in our last annual reports. Ordinary routine work has been continued, and the road damaged by the last winter's floods restored.

During the early part of the year just past, heavy rains over the southern portion of the State caused great destruction to the Company's road in many places, but most extensively to that part of the road between Soledad Summit and Los Angeles, washing away all the bridges and culverts over the Santa Clara River and its tributaries in the so-called Soledad cañon, and destroying to a large extent the road-bed. In this cañon the line of the road crosses the Santa Clara River nineteen times. The bridging over this water-course and tributaries was originally piled trestling of sixteen-foot spans. In rebuilding the damaged road, portions of the old line have been abandoned, the line moved to the sides of the cañon, to a less exposed situation, but at increased cost over that of the original location.

On rebuilding the bridges, 15 were built of *iron* trusses, in spans of 80 to 120 feet, placed on concrete abutments and piers. The other four bridges are built of wood, in spans of 64 feet, placed on piled piers.

The road-bed has been quite thoroughly riprapped with rock wherever it was exposed to wash, and it is now confidently expected that, with the enlarged water-ways and the protection of the road-bed by the rock facings, this part of the road will be quite secure from future floods.

These same heavy rains caused high water in the Colorado River at Yuma, undermining several piers and carrying away six spans of eighty feet each of the railroad bridge connecting this Company's road with the Southern Pacific Railroad of Arizona. These six spans have been replaced by three spans of Howe Truss, in wood—one of 199 feet, and two of 160 feet each. These long spans do away with three piers formerly necessary with the eighty-foot spans, and thus reduce the obstruction to the flow of water in flood time.

The draw-spans and the piers on which the draw worked were not materially injured by the flood.

Respectfully submitted,

GEO. E. GRAY, Chief Engineer. TRUSTEES' REPORT.

D. O. MILLS—GERRIT L. LANSING.



### Southern Pacific Railroad.

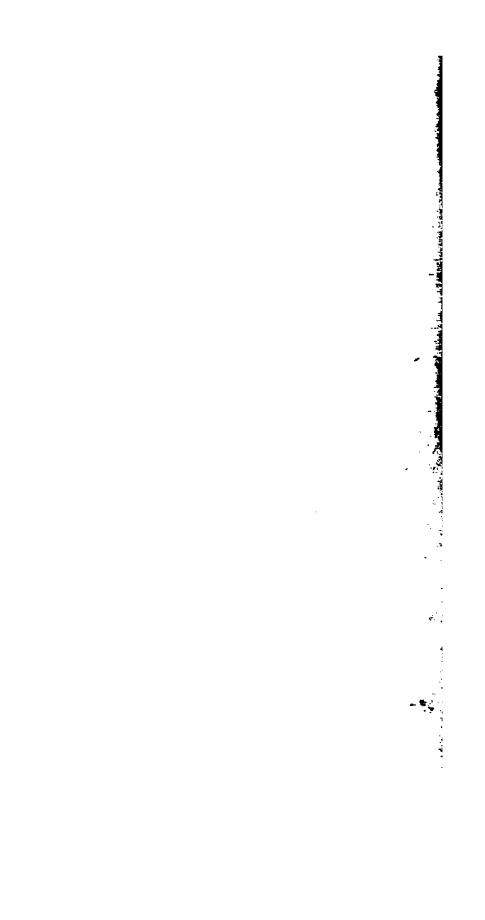
### Report of Trustees under Mortgage of April 1st, 1875.

San Francisco, January 1, 1885.

To the President and Board of Directors
of the Southern Pacific Railroad Co.:—

We beg to submit the following report of tr	ansactions	for
the fiscal year of the Company ending Decem	ber 31, 18	84,
viz:—		
Balance on hand, as per Report of January 1st, 1884, one hundred and twenty-two thousand one hundred and sixty-four 58 dollars	\$ 122,164	58
Amount received during the year ending December 31st, 1884, five hundred and twenty-one thousand five hundred and eighty-seven 67 dollars	\$ 521,587	67
Total	\$ 643,752	<b>2</b> 5
Out of this sum we have redeemed 405 Bonds of \$1,000 each, making a total of \$405,000, at a cost of three hundred and ninety-five thousand dollars	<b>\$</b> 395,000	00
Leaving cash on hand January 1st, 1885	<b>\$ 248,752</b>	25

D. O. MILLS,
GERRIT L. LANSING,





### -OFFICERS-

# Southern Pacific Railroad Company

(OF CALIFORNIA)

1884-5

### DIRECTORS.

PIMOTHY ROPKINS, W. V. BUNTINGTON,

CHARLES CROCKER, | CHAS. F. CROCKER, L L WILLCHTT,

PRINCEST ..... CHARLES UNOCKER ..... Sm Prancies Val. Paramay. ... CHAS F CBOCKER ... . Sin Hammer TO STORY OF THE SMITH ..... San Francisco

Elitel Englises.... , GEORGE E. GRAY, ... San Francisco. Land Agent ...... JEROME MADDEN . San Prancisco.

SARBELLER STREET, C. P. HUNTINGTON, 25 Bond St., n. v. may

### OFFICERS OF HURTHERN DIVISION.

Am ! Gard Preight Agent ... /E. J. MARTIN, Ji. San Francisco: Ass't Pass'r and Traket Agt. H. R. JUDAH .... Han Francisco.

### ANNUAL REPORT

OF THE

BOARD OF DIRECTORS

OF THE

# Southern Pacific Railroad Co.

(OF CALIFORNIA)

TO THE

### STOCKHOLDERS.



For the Year Ending December 31st, 1885.



## ANNUAL REPORT

OF THE

### BOARD OF DIRECTORS

OF THE

# Southern Pacific Railroad Co.

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### STOCKHOLDERS.

For the Year Ending December 31st, 1885.

San Francisco:

H. S. CROCKER & CO., PRINTERS,
1886,



### ANNUAL REPORT

OF THE

### SOUTHERN PACIFIC RAILROAD COMPANY

For the Year ending December 31, 1885.

### PRESIDENT'S OFFICE.

San Francisco, June 30, 1886.

### To the Stockholders:

Your Board of Directors herewith submit their annual report for the fiscal year ending December 31st, 1885, accompanied by supplementary reports relating to the Company's business and showing its financial condition at that date.

The liabilities and assets of the Company on December 31st, 1885, were as follows:

### CAPITAL STOCK.

The capital stock authorized is	\$90,000,000 00
The amount subscribed is	45,397,200 00
The amount paid in is	44,039,100 00

[ 4 ]

### Indebtedness.

The debts at the same date were:

Funded debt—as per Statement No. 5	<b>\$</b> 32,220,000	00
Trustees of Mortgage	246,223	<b>46</b>
Reserve—for payment of taxes in litigation	298,102	<b>58</b>
Bills and accounts payable	178,696	31
Total indebtedness	<b>\$</b> 32,943,022	35

### ASSETS.

The Assets were as follows:

Nine hundred fifty-six $\frac{61}{100}$ miles of railroad and		
telegraph line; with sidings, turn-tables, round-		
houses, wharves, etc.; together with real estate,		
depots, and depot grounds-including an undi-		
vided half-interest in 60 acres of land in		
Mission Bay, San Francisco	<b>\$83,280,860</b>	86
Equipment for same	3,325,258	11
Shop machinery and tools	177,511	01
Road tools	9,166	23
Furniture, telegraph instruments, etc	76,623	04
Sundry accounts due the company	482,860	<b>58</b>
Cash in hands of Treasurer	834	18
Amount in hands of Trustees of Mortgage—to be		
used in redemption of bonds	246,223	46
Land contracts—deferred payments on time sales	2,213,199	<b>75</b>
Farming lands unsold		
Total assets	\$89,812,537	22

Note.—Above amount does not include the lands belonging to the Company, the value of which it is difficult to estimate.

### ROAD AND EQUIPMENT.

The number of miles of road owned and in operation on ber 31st, was as follows:	Decem-
From San Francisco to Tres Pinos	100.49 528.56 24.65 60.40 242.51
Miles owned	956.61
Leased Lines.	
Monterey Railroad,— from Castroville-junction to Monterey	15.12
PAJARO & SANTA CRUZ RAILROAD,— from Pajaro to Santa Cruz	26.20
Total miles in operation	997.93
of which in round figures, 755 miles were at that date operathe Southern Pacific Company and 242 miles by the Atlan Pacific (both under lease).	•
The road has been maintained in good condition through year; new steel rails and a large number of new tics have been in the track, and a number of wooden bridges have been re by substantial iron structures.	een put
The rolling-stock (leased to the Southern Pacific Corconsists of:	mpany)
LOCOMOTIVES	35 141 123

### FINANCIAL.

Reference was made in the last annual report, to the lease entered into with the Southern Pacific Company for the operation of your entire road, and the advantages which it was believed would be derived therefrom. The operations of the road under this lease—which went into effect on March 1st—in comparison with the operations of the year 1884, may be summed up as follows, viz:

Gross earnings, No. Div. (Jan. and Feb.)				
Less, operating expenses	113,992	01		
Surplus	70,953	07		
Received for lease of Southern Divis-				
ions, (January and February)	347,811	00		
Add, receipts from subsequent adjust-				
ment of accounts	121,836	21		
Total			<b>\$</b> 540,600	<b>2</b> 8
Deduct, for general, legal and other ex-				
penses	\$55,170	28		
Interest on bonds, (Jan. and Feb.),				
and interest on General accounts.	277,048	33	332,218	61
			\$208,381	67
Proportion of net profits from lease			,	
to Southern Pacific Company — 10				
months to Dec. 31st			308,743	<b>48</b>
making a total for operations of 1885 of.			\$517,125	15
which, as compared with 1884, is as fol	lows:			
Gross transportation earnings, No. Div.	1,468,176	34		
Less, operating expenses	835,189	27		
Surplus	632,987	07		
Add, received for lease of Southern	,			
Divisions	2,032,843	51		
Total	\$2.665. <del>8</del> 30	58		
Less, interest on bonds and other expenses				•
Net earnings for operations of 1	884	-	347,945	44
Difference in favor of 18	85		. \$169,179	71

In our last annual report we also referred to the amount appearing in the balance-sheet as "reserve for payment of taxes in litigation," and explained our reason for contesting the payment of those taxes: several payments have since been made by the company and the reduced amount appears in the present balance-sheet. Since the close of the last fiscal year the question has been fully presented to the Supreme Court of the United States, and we now have the satisfaction of stating that that Court has recently rendered its decision in favor of the company solely upon the ground that the assessment made by the State Board of Equalization was invalid, the Court concluding that it was not necessary to consider any of the other questions involved. Although this decision would legally excuse us in with-holding payment altogether, yet with a desire to retain the friendly relations which have heretofore existed between the company and the counties through which its road passes, and conformably with the spirit with which our tenders of payment on account of those taxes had been made, we have voluntarily effected a settlement of nearly all the taxes which formed the subject of We are satisfied that the adoption of this course will meet with the approval of the stockholders and be acknowledged by the general public as a liberal settlement of the question.

### NORTHERN DIVISION—ITS EXTENSION.

In order that comparison of the operations of the Northern Division may be made with former years, the Southern Pacific Company has kindly furnished such detailed reports and statements for the period that the road was operated by that company, as will enable us to present comparisons as heretofore. They will be found in the Secretary's report—with the exception of the report of the Superintendent, which is presented separately—and clearly show the great and enhancing value of this section of the road. We have also added to Statement No. 1 the earnings and expenses of the Southern Divisions, so as to show the earnings and expenses of all the properties covered in the Financial statement.

Since our last report it has been determined to extend the Northern Division of the road from Soledad to San Miguel, a distance of sixty-five miles, with the intention of connecting near that point with the proposed road of the Southern Pacific Branch Railway Co., an incorporation which has been recently formed for the purpose of constructing a railroad of about 250 miles in length from San Miguel, via San Luis Obispo, Santa Barbara and Ventura counties, to connect with our main line at or near Newhall.

We regard this connection as a very important work in the promotion of the interests of our company. The extension of railroad facilities afforded by the accommodations of a well equipped road will bring within the circuit of railroad travel a wide region of fruit and agricultural lands at present only partially developed, and the progress of which has been retarded by the absence of transportation Owing to the distance from railroad lines, the public is not so familiar with the resources of this region as with those of other portions of our State: but the natural productiveness of the soil, its adaptation to fruit culture, the present reasonable price of land, the healthfulness of the climate and the comparative cheapness of living; coupled with the rapid and cheap transportation of fruits and other products, will tend to draw attention to the advantages possessed by these southern coast counties over other and less favored districts, and by means of immigration and settlement, produce a gradual transformation of the old Mexican stock ranges and ranchos into smaller, but more convenient farms.

### LAND GRANT.

The operations of the Land Department are presented in the report of the Land Agent, and confirm the statements made by him in former reports, as to the adaptability of these lands for various farm products and the constant demand for them.

The entire receipts from sale of lands for the year have been placed in the hands of the Trustees of the Mortgage, to be by them applied in the redemption of the company's first mortgage bonds.

### BONDED DEBT.

The company's bonded debt is being gradually lessened through redemptions from land sales and the annual Sinking Fund appropriation—the total redemption for the year amounting to \$712,000,—as appears in the accompanying reports: the total amount of bonds redeemed to December 31st, 1885, being \$3,362,000.

Since the close of the fiscal year the rivalry of competing transcontinental lines has been intensified by reckless reductions of rates, involving a serious loss of revenue on a portion of the business done; but it is a gratification to know that the Southern Pacific Route has maintained its claim to pre-eminence as a freight carrier, and your Directors are satisfied that whenever amity is restored, the short portage between the ocean navigation of the Pacific and that of the Gulf, will have its due proportion of the whole transcontinental traffic and any benefits to be derived therefrom; in all of which this company will duly share.

CHARLES CROCKER,

President.



# SECRETARY'S REPORT.

J. L. WILLCUTT.



### SECRETARY'S OFFICE.

.....

SAN FRANCISCO, May 1st, 1886.

CHAS. CROCKER, Esq.,

President,—

Sir: I hand you herewith Annual Statements Nos. 1 to 7 inclusive, which show the financial condition of the Company on the 31st December, 1885, and the operations of the Northern Division to same date, as furnished by the Southern Pacific Company (lessees).

Respectfully submitted,

J. L. WILLCUTT,

Secretary.

### No. I.

### Statement of Earnings and Operating Expenses— Northern and Southern Divisions for Year ending December 31st, 1885.

\* NORTHERN DIVISION. SOUTHERN DIVISIONS. EARNINGS. \$2,017,516 51 918,768 52 52,393 60 8603,717 99 Freight..... 
 Freight
 \$603

 Passenger
 600

 Express
 17

 Mail
 13

 Miscellaneous
 27

 Sleeping Car.
 27

 Telegraph
 4

 Rental
 10

 Baggage
 ...

 Mileage
 1

 Storage
 2
 600,750 78 17,984 72 62,386 15 15,004 44 28,988 47 16,785 44 13,571 76 27,827 78 4,050 00 10,303 17 5,569 90 11,564 42 2,766 19 1,216 39 Storage..... 2,340 37 Total Earnings . . . \$1,281,762 96 83,131,743 64 OPERATING EXPENSES. Expense of Superintendent. 6,580 65
Station Service. 111,142 55
Telegraph " 87,604 28
Sleeping Car" 87,604 28 21,710 87 118,411 17 28,657 38 126,054 97 8,797 61 988 67 Locomotive " 158,847 92 673,353 18 4 70 231,517 70 Snow 143,115 01 231,517 70 6,176 96 45,335 73 7,671 29 106,994 25 105,173 72 56,380 90 8,713 89 5,989 78 5,762 90 6 669 70 143,115 01 5,560 06 14,497 13 6,018 82 27,033 00 49,487 06 53,784 05 7,391 91 8,7-1 14 Buildings .. Engines...... ٠. .. Office Expense.
Stationery and Printing.
Advertising.
Loss and Damage to Freight.
Damage—Persons and Property
Micoellangus Evines. 8,721 14 1,062 71 6,069 70 19,354 10 18,039 18 Damage—Persons and 1.0p-Miscellaneous Expense 504 87 15,818 63 5,900 76 430 00 312 54 3,882 87 47,589 87 Mileage.
Mail Service.
Engineering 785 80 1,779 01 54,545 76 14,558 25 24,386 20 29,927 41 General Expense..... Legal Expense ..... \$ 738,912 51 Total Operating Expenses.. . . . . \$1,721,514 41 g 542,850 45 \$1,410,229 23 Earnings over Operating Expenses

Note. During January and February the Northern Division was operated by the S. P. R. R. Co.; other returns furnished by the Southern Pacific Company.

J. L. WILLCUTT, Secretary.

Exhibit of Earnings and Operating Expenses of the Northern Division by Months,

for the Year ending December 31st, 1885.

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EARNINGS.

17,984 72 18,571 76 27,827 78 4,050 00 10,303 17 May. June. July. August. September October. November December Total. Express 1,361 29 1,157 36 1,376 52 1,500 41 1,651 83 1,806 16 1,719 63 1,761 77 1,656 94 1,538 16 1,012 59 1,386 74 400 00 Miscellancous....... 1,792 37 1,431 43 1,192 67 2,895 19 1,543 92 1,497 86 1,608 50 5,984 81 3,919 80 2,399 75 1,912 70 1,648 78 826 57 81682 400 00 77632 842 57 250 00 840 32 January. February. March. April. 250 00 852 07 250 00 Rental..... 924 32 250 00

2,340 37 Total Earnings.... 102,621 69 | 82,300 04 | 94,740 77 111,167 81 117,779 74 126,377 39 128,680 66 125,084 13 113,680 62 116,293 06 79,774 06 88,282 99 1,231,762 06 206 92 162 48 237 38 

1,216 39

126 05

261 37

133 36

20195

253 36

EXPENSES.

OPERATING

	[ 17 ]		
Total.	8 6 580 65 111,142 55 18,140 28 18,140 28 143,115 01 14,50 06 14,497 08 14,497 08 10,008 82 27,008 82 7,391 40 7,391 10,72 11,62 11 1,72 11 1,	738,912 51	\$542,850 45
December	6,8348 40 6,57474 14 12,149 02 8,908 36 447 63 9,517 27 2,832 28 3,717 27 2,832 28 143 00 1,995 65 3,995 65 143 00 1,995 65 3,008 88 1,997 16	57,422 98	1 57 20,860 01 8642,856 **acific Co. WILLCUTT, Secretary.
November December	9 555 60 11, 221 81 81 11, 221 81 81 11, 221 81 81 81 81 81 81 81 81 81 81 81 81 81	62,282 69	62 67,580 09 66,310 67 66,209 13 52,737 98 57,529 89 16,491 S7 30,8  R. Co.; last ten months of the year operated by the Southern Pacific Co.
October	5.55 00 9,534 94 13,243 78 13,243 78 13,248 73 2,468 73 4,100 75 4,100 75 8,100 75 8	59,763 17	57,529 89
September	9,585 99 13,128 45 11,128 45 11,128 45 11,128 45 11,950 65 11,44 35 2,144 35 2,008 35 2,008 35 2,008 35 2,008 35 1,178 05 1,178 0	60,922 64	52,737 98 operated b
August.	9,578 25 11,588 29 11,588 29 11,588 29 13,882 29 13,890 34 3,021 35 2,584 45 2,584 4	58,875 00	66,209 13
July.	9,228 50 13,966 94 11,396 95 25 25 25 27 25 27 26 27 27 27 27 27 27 27 27 27 27 27 27 27 2	57,370 09	66,310 57 n months
June.	566 50 9,487 66 11,363 27 11,567 25 11,647 25 12,48 32 2,788 32 2,788 32 2,788 32 2,788 32 2,788 32 1,164 12 1,164 12 61 25 1,64 69 61 25 1,64 12 1,64 12 1,	58,797 30	67,580 09
May.	548 00 9,336 15 14,387 49 11,383 59 509 66 509 66 2,682 06 5,430 50 2,585 18 2,456 18 100 00 1,327 40 1,00 99 1,00 90	62,563 12	65,216
April.	526 00 9,166 07 13,465 47 13,465 47 12,187 60 2,845 92 849 23 2,849 23 2,751 35 2,751 35 2,751 35 2,113 14 61 80 61 25 637 35 841 29	59,883 05	51,284 76 d
March.	546 55 9,636 01 13,317 56 11,3218 77 545 17 645 17 648 17 8,73 18 1,358 90 670 25 1,358 90 1,358 90 1,	61,624 54	33,116 23 ary operate
February.	8,823 73 11,739 73 9,868 73 734 24 734 24 735 94 3,773 93 1,336 94 3,773 98 3,773 98 69 37 1,378 10 69 37 1,378 10 69 37 1,378 10 69 37 1,378 10 69 37 1,378 10 69 37 1,378 10 69 37 1,378 10	76,435 18	5,864 86 and Febru
January.	9,223 07 7,223 07 14,153 81 11,653 34 311 68 311 68 4,246 63 4,246 63 1,106 11 1,37 87 1,37 87	62,972 75	p. 89,648 94 5,864 86 33,116 23 51,284 76 the of January and February operated by the S.
	Expense of Superintendents Station Service Train Service Locomotive Service Repairs of Track Tra	Total Op'g Expenses	Earnings over Op'g. Exp

# No. 3.

Cr.
1885.
r 31st, 1
December
Ledger,
General
fo
Sheet
Balance .
ٺ

To Construction \$74,356,362 74	By Capita	By Capital Stock	844,039,100 00
Real Estate 711,575 32	First X	First Mortgage Bonds	32,220,000 00
Equipment 3,325,258 11	Land T	Land Trust Fund (Mills and Lansing, Trustees)	246,223 46
Buildings, and other structures 1,212,922 80	t Taxes	t Taxes in Suspense	298,102 58
Machinery and Tools in shops	Accoun	Accounts due to sundry parties	178,696 31
Road Tools 9,166 23			
Furniture, and Telegraph Instruments 76,623 04	\$79,869,419 25		
Southern Pacific Co. (Lease account)	308,743 48		
Sundry accounts due the Company	174,117 10		
Cush in hands of Treasurer	834 18		78.989.129.85
	Profit	Profit and Loss	3,370,991 66
1	\$80,353,114 01		880,353,114 01

+ Reserve for payment of Taxes in litigation.

J. L. WILLCUTT, Secretary.

[

19 ]

t This amount is not available for distribution as dividends, as it represents expenditures made in redeeming First Mortgage Bonds.

Funded Debt, December 31st, 1885. No. 5.

	REMARKS.	\$ 988,000	April 1 and Oct. 1. Amount redeemed in 1877	121.00 114.000 314.000 11 118.00 114.0		1884. 718,000	Total amount redeemed
Interest 6 2.	- When Payable.	Oct. 1 and April 1 April 1 and Oct. 1.	April 1 and Oct. 1.	April 1 and Oct. 1.	858,000 8 412,000 Oct. 1 and April 1.	Oct. 1 and April 1.	
Redermed.	From Sink- ing Fund.				\$ 412,000		\$ 412,000
REDR	From Land Sales.	\$ 988,000	429,000	241,000		314,000	835,882,000 82,960,000 8 412,000
ISSUED.	Amount.	\$15,000,000	5,000,000	5,000,000	2,000,000	582,000	\$35,582,000
-	No. of Bonds.	17,000	5,000	2,000	5,000	283	'- !
.80	Authorized.	1, 1905 \$15,000,000 17,000 1, 1905 5,000,000 5,000	6,000,000	2,000,000	5,000,000	5,000,000	
First Mortgage Bonds.	Series Date. When Due, Authorized. Bonds, Amount. From Land From Sink-	April 1, 1905 &	1, 1906	" 1, 1906	April 1, 1912	" 1, 1912	
FIRST MOR	Date.	"A" April 1, 1875 April "B", Oct. 1, 1875 Oct.	"C", " 1, 1876 "	"D" " 1, 1876 "	'E" April 1, 1882 April 1, 1912	"F" " 1, 1882 "	 
	Series	"A"B",	"C"	"D"	"E"	"F."	;

J. L. WILLCUTT, Secretary.

### No. 6.

# Comparative Statement of Earnings and Operating Expenses of the Northern Division

for the Years 1882, 1883, 1884 and 1885.

_	Year I December	Ending 31st, 1882.		Ending 31st, 1883.	Year l December	Ending 31st, 1884	Year I December	Inding 31st, 1885.
EARNINGS								
Freight Passenger Express Mail Miscellaneous Telegraph Rental Milesge Storage	531,240 83 13,767 80		\$624,668 77 600,044 00 16,484 75 13,571 76 8,574 47 3,000 00 10,777 21		\$762,563 33 641,293 02 18,566 13 13,571 76 14,571 73 3,000 00 9,991 02		\$603,717 99 600,750 78 17,984 72 13,571 76 27,827 78 4,050 00 10,303 17 1,216 39	
Storage	6,063 51		5,391 93	•	4,619 35	0.00	2,340 37	
Total Earnings		1,257,399 35	1)15	1,282,512 89		1,468,176 34		1,281,762 96
OPERATING EXPENSES.				i				
Expense of Superintendent. Station Service Train Service Locomotive Service Repairs of Track Tools & Machinery Bridges Buildings	82,577 91 78,810 57 139,884 76 96,468 57 4,808 21 23,054 39 8,354 15		5,716 52 83,236 56 82,726 54 172,048 24 110,783 01 4,389 58 12,040 54 11,510 96		6,436 75 90,776 37 92,791 40 196,656 62 161,477 04 4,946 11 19,211 42 19,145 11		6,580 65 111,142 55 87,604 28 158,847 92 143,115 01 5,560 06 14,497 13 6,018 82	
Fences Engines Cars Cars Office Expense Stationery and Printing Advertising Loss and Damage to Freight Damages Persons & Property Miscellaneous Expense Water Service Insurance and Loss by Fire Mileage	25,329 21		4,677 86 32,556 42 50,165 09 40,609 98 9,040 61 9,419 80 926 00 412 73 758 64 6,699 29		21,559 10 35,269 69 58,799 12 43,641 09 9,014 83 13,005 69 838 21 844 79 1,027 31 6,741 12		27,033 00 49,487 06 33,784 06 7,391 91 8,721 14 1,062 71 504 87 15,818 63 5,900 76	
						)	430 00 312 54	
Mail Service General Expense.	586 75		752 50		807 50		785 80 24,386 20	
Legal Expense Expense of Leased Road	00 040 70		20,400 00		52,200 00		29,927 41	
Total Operating Exp				\$ 658,870 87				738,912 5
Earnings over Op. Exp		9649 BOT BT		623 642 02		econ 007 N7		9549 850 44

Note.—Years 1882, 1883 and 1884, and January and February of 1885, operated by the Southern Pacific Railroad Co. The last ten months of 1885 operated by the Southern Pacific Company.

J. L. WILLCUTT, Secretary.

# NO. 7. SOUTHERN PACIFIC RAILROAD CO.

Exhibit of Earnings and Operating expenses of the Northern Division from October, 1870, to December, 1885.

	ij	1				[	22	]									
MILES OF ROAD.	Total at end of year.	91.99	111.15	129.36	160.80	160.89	160.89	160.89	100.89	100.80	160.89	176.01	176.01	176.01	197.51	202.21	202.21
Milks	Average Operated.	91.99	103.12	123.20	158.20	160.89	160.89	160.89	160.89	160.89	160.89	170.52	176.01	176.01	197.51	202.21	202.21
Ratio of	Operating Expenses.	Per Centum.	.51982	.45988	.56593	.58078	.46219	.45955	.55785	.50749	.59209	.56125	.50701	.48901	. 51373	.56886	.57648
Earnings	over Operating Expenses.	\$ 207,670 44	347,577 90	538,772 42	604,548 78	901,031 02	732,509 73	705,919 95	179,698 75	409,344 03	362,761 78	447,014 02	570,889 52	642,507 57	623,642 02	632,987 07	542,850 45
	Operating Expenses.	8 222,427 06	376,278 11	458,739 14	465,674 34	650,385 52	852,329 63	600,269 03	226,730 39	514,542 55	526,565 35	571,829 98	587,125 26	614,891 78	658,870 87	835,189 27	738,912 51
	Earnings.	8 430,097 50	723,856 01	997,511 56	1,068,223 12	1,551,416 54	1,584,839 36	1,306,188 98	406,429 14	1,013,886 58	889,327 13	1,018,844 00	1,158,014 78	1,257,399 35	1,282,512 89	1,463,176 34	1,281,762 96
		0, 1871	1872	1873	1874	1875	1876	1877	1, 1877	1878	1879	1880	1881	1882	1883	1884	1885
qο	1st, 187	June 3	3	:	3	:	:	:	Dec. 3	:	:	:	:	:	:	:	:
PERIOD	(from October 1st, 1870).	s ending	:	=	3	:	:	:	ending	3	3	:	:	:	:	:	:
	(from	Nine months ending June 30, 1871	For year	:	3	3	:	=	Six months ending Dec. 31, 1877.	For year	3	3	3	3	3	;	3

Norg.-Last ten months of 1885 operated by Southern Pacific Company.

J. L. WILLCUTT, Sceretary.

# Superintendent's Report.

A. C. BASSETT.



(Northern Division.)

### SUPERINTENDENT'S OFFICE,

SAN	Francisco, March 26th, 1886.									
Hon. Leland Stanford,										
President Southern Pacific Company,										
SIR: I respectfully present to you the following report of the										
business of this Division for the ten months ending December 31,										
1885.	•									
The number of miles of road operated for the above-named period										
was 202.21, as follows:										
Southern Pacific R. R. of Californ	nia—north of Goshen—									
San Francisco to Tres Pinos	100.49									
Carnadero to Soledad	60.40 160.89									
Monterey Railroad—										
Castroville Junction to Monterey										
Pajaro & Santa Cruz R. R.—										
Pajaro to Santa Cruz	21.20									
Aptos to Monte Vista										
Total Northern Division	202.21									
The equipment consists of:										
Locomotives	Box and Combination cars. 366									
Passenger cars 49	Long Stock cars 8									
Parlor cars 2	Logging cars 12									
Smoking cars 3	Emigrant sleeper 1									
Excursion cars 19	Passenger and baggage cars 2									
Baggage cars	Wood car 1									
Officers' car 1	Push cars									
Boarding car	Hand cars 42									
Short caboose 1	Coal cars 2									
Long cabooses 5	Pile-driver cars									
Flat cars 205										

The cost of locomotive service and repairs was \$154,913.08, equal to 22.79 cents per mile run. Miles run to one ton of coal, 52.87.

The traffic for the ten months mentioned, as compared with the same months in 1884, was as follows:

TRAIN MILES.	1885.	1884.	Decrease.	Per Cent.
Passenger	333,753	343.780	10,027	2.91
Freight	145,036	145,444	408	0.28
Service	200,874	216,603	15,729	7.26
Total	679,663	705,827	26,164	3.70
Number passengers				
carried	578,832	628,931	50,099	7.96
Tons of freight moved	265,087	326,816	61.729	18.88
Tons of grain (includ-	- ' '	.= .,		
ed in above)	31.521	81.152	49,631	61.18

The earnings for the ten months, as compared with the same ten months of 1884, were:

····	10 months 1885.	10 months 1884.	Decrease in 1885.	Per Cent.
Gross Earnings	\$1.096.841_23		\$218,942_68	16,63
Operating Expenses Earnings over Ope-		772,356-78	172,852 20	22.37
rating Expenses Per cent of Operating Expenses to Gross	497,336 65	543,427 13	46,090 48	8.48
Earnings Average Gross Earn-	54.6	58.7	4.1	
ings per mile Average Operating	5,424 26	6,507 01	1,082 75	16.63
Expenses per mile Earnings over Ope- rating Expenses	2,964-76	3,819 57	854-81	22.37
per mile	2,459 50	2,687 44	227 94	8.48

There has been expended for improvements in Mission Bay, San Francisco, for terminal facilities, the sum of \$32,146.62.

In the month of October a substantial three-span Howe truss bridge, at a cost of \$51,474.75, was completed across the Salinas River, which has withstood successfully the numerous heavy freshets of the past winter.

Although the storms have been heavy, but little damage to our road-bed or bridges has resulted, and there has been no interruption of traffic worthy of mention. Three miles of new steel rail have been laid on the Soledad line; and twenty-five thousand new ties were used for renewals.

Locomotives and cars have been kept in excellent condition, and the track and roadway has been much improved.

The partial failure of the grain crop in the more important grain-producing districts in the territory served by this road (entailing a falling-off of 50,000 tons of grain from the quantity hauled in the corresponding months of the previous year), together with the general business depression throughout the State, had a marked effect upon our earnings.

The prospects of a larger business being done this year than in any other in the history of the road are most encouraging. A larger acreage has been sown in grain than ever before; more orchards and vineyards will be in bearing, and a copious rainfall almost guarantees a bountiful crop.

Monterey County, south of the Soledad terminus, is rapidly filling up with a most desirable class of settlers, who are occupying small tracts of Government land, which land is found to produce the best qualities of fruits and grapes, and is yielding heavy crops of grain, pronounced by millers and dealers as superior in quality to any as yet grown in the State. Several thousand tons of grain were hauled to this terminus last year from points thirty to fifty miles distant.

An extension of this line would bring a large acreage under cultivation to grain, divert live-stock shipments from water routes, and furnish an excellent market for the timber products of the Loma Prieta line.

While there has been a falling-off in local passenger traffic, tourist travel to and from the Hotel del Monte has greatly increased, and the capacity of the hotel has been taxed to its utmost to furnish accommodations for excursion parties spending the winter months at that place.

There have been no accidents to trains during the year.

Respectfully yours,

A. C. BASSETT,

Superintendent, Northern Division.



Land AGENT'S REPORT.

JEROME MADDEN.



#### LAND DEPARTMENT.

SAN FRANCISCO, CAL., April 30th, 1886.

To the President and Directors of the Southern Pacific Railroad Company,—

Gentlemen: Herewith I enclose to you a full Exhibit, dated January 2d, 1886, of the business of this Department since commencement of sales of land, and also for the year 1885.

The Annual Reports made to you for the last three or four years contained ample statements concerning the prosperous and general industrial condition of California, and of the matters and circumstances having an influence on the future value of railroad lands and their sale. As the conditions then existing remain unchanged, I do not deem any further and special statement necessary at this time; and, therefore, I respectfully refer you to these Reports for information. I may, however, add that during the past winter the rainfall has been very copious, and that largely increased areas of forage, grain and vineyard; and orchards of oranges, olives, limes, and every variety of other fruits have been put in. Also, that within the past year there has been a great, unprecedented and continued influx of people to California, the most of them being persons of means.

The demand for all kinds of land is very active, and the Exhibit shows that in this office alone, during 1885, there have been sold 362,254.30 acres. During the four months of 1886, to present time, 118,435.40 acres have been sold.

The immense resources of California are being rapidly developed, and on every side is seen evidence of great progress and prosperity, and also of the certainty of great wealth in the near future.

Respectfully,

JEROME MADDEN,

Land Agent.

#### Annual Statement, 1885.

#### Statement of Business of the Land Department to December 31, 1885.

					SALES.			
	Nı	JMBER O	F ACRES AN	D How S	OLD.	of Sales to Dec. 31, 1884, inclusive.	From Jan, 1, 1885, to Dec. 31, 1885, inclusive. Consideration	Total.
			Acres.				1	
Sales fo	or Cash	in full.	1	87,522.26 75,260.37		\$529,733 91	\$121,097 24	9650 001 15
Sales of						3,446,909 40	724,685 81	\$650,831 15
					1,142,632.61	1	•	4,171,595 21
To	tal	· · · · · ·	· · · · · · · · · · · · · · · · · · ·		1,405,415.24	83,976,643 31	\$845,783 05	\$4,822,426 36
Acres s	old for	cash			lation of Sal		75,260.37	
•	· on	credit	•••••		• • • • • • • • • • • • • • • • • • • •		286,993.93	
Tot	tal				. <b></b>		362,254.30	or \$845,783 05
Average	e price	per acre		 				. \$4,590,007 86 . 3.4229
	<u> </u>					From Commencem't of Sales to Dec. 31, 1884, inclusive.	From Jan. 1, 1885, to Dec. 31, 1885, inclusive.	Total Receipts to Dec. 31, 1885, inclusive.
First p	aymen ear's in	t on Tim terest on	e Contracts remainder	lue on Ti	me Contracts.	702,941 95	\$121,097 24 139,893 70 36,744 04 37,747 36	\$650,831 15 842,835 65 245,177 07 176,960 76
Third	"	"	"			106,863 27	14,092 56	120,955 83
Fourth Fifth	"	"	"	"	"		19,509 44 26,565 44	90,332 39 60,684 60
Sixth	**	"	**	44	**	10,000 54	2,220 67	19,184 21
Seventh	ı "	"	"	"		6,743 52	774 16	7,517 68
Eighth Ninth	"	"	"	"	"	1,622 27 260 56	158 75 114 25	1,781 02 374 81
Tenth	"	"	"	"	"	82 21	29 15	111 36
	der of	purchase	e money on	Time Cor	tracts	724,551 94	194,754 45	919,306 39
Leases	of Rail	road Lar	nds	. <b></b> .		254,681 04	\$593,701 21 20,524 73	\$3,136,052 92 275,205 77
						\$2,799,741 20	\$615,379 69	3,862 20 \$3,415,120 89

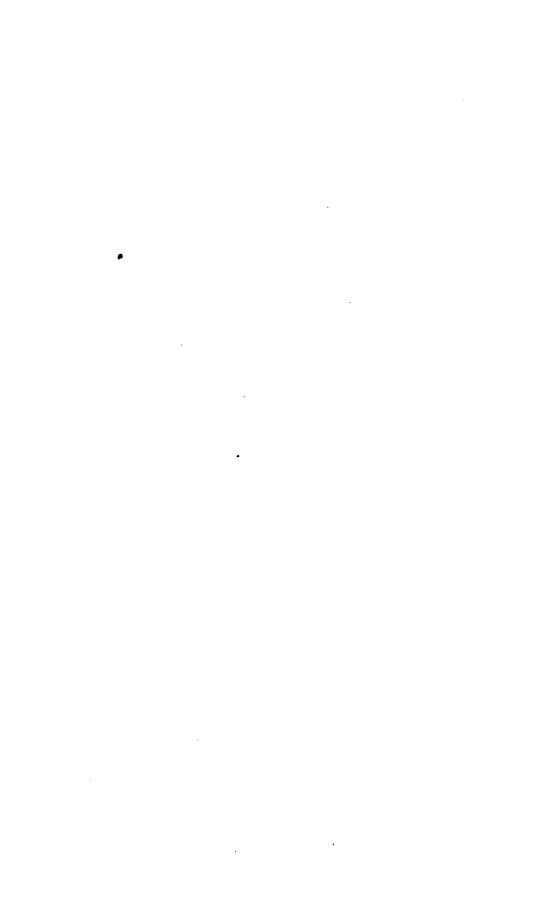
SAN FRANCISCO, January 2d, 1886.

JEROME MADDEN

Land Agent.

CHIEF ENGINEER'S REPORT.

WILLIAM HOOD.



OFFICE OF CHIEF ENGINEER.

San Francisco, December 31, 1885.

To the President and Directors of the Southern Pacific Railroad,—

There is no increase of mileage over that shown in the last annual report. Ordinary routine work has been continued, and repairs of damages from severe floods have been substantially made.

A portion of the road in Caliente Cañon, near the north foot of Tehachapi Pass, has been improved from near Pampa station for a distance of 12,370 feet southerly, by raising the grade an average of three feet in height and protecting the slopes with granite rip-rap, and by the building of eight spans of wooden bridges of sixty-four feet each, placed on piled piers. Immediately south of this improved road, there has been an entirely new portion of road built for a distance of 13,255 feet, upon the easterly side of Caliente Cañon, with much heavy grading and including the construction of a tunnel,  $546_{10}^{2}$  feet in length, through a granitic rock; the tunnel being substantially timbered throughout.

These improvements in Caliente Cañon were rendered necessary by a remarkable change in the state of the bed of the stream during the past few years, which commenced rapidly filling up with sand and gravel—the entire creek bed being in some places about nine feet higher than when the road was first constructed. This caused a corresponding rise in the flood mark, and rendered necessary the reconstruction of the road on high ground.

Respectfully submitted,

WILLIAM HOOD,

Acting Chief Engineer.



TRUSTEES' REPORT.

D. O. MILLS—GERRIT L. LANSING.



#### REPORT OF TRUSTEES

Under Mortgage of April 1, 1885.

SAN FRANCISCO, January 1st, 1886.

To the President and Board of Directors of the Southern Pacific Railroad Company:

We beg to submit the following report of transactions for the fiscal year of the Company ending December 31st, 1885, viz.:

viz.:		
Balance on hand,		
as per report of January 1st, 1885	\$248,752	25
Amount received during the year		
ending December 31st, 1885	. 593,701	21
Total	. \$842,453	46
Out of this sum we have redeemed 613 bonds		
of \$1,000 each, amounting to \$613,000,		
at a cost of	. 596,230	00
Leaving cash on hand January 1st, 1886	. \$246,223	46
D O MILIS	)	

D. O. MILLS, GERRIT L. LANSING, Trustees.





#### \*OFFICERS\*

OF THE

### Southern Pacific Railroad Company

OF CALIFORNIA

#### 1885-6.

#### DIRECTORS.

CHARLES CROCKER, TIMOTHY HOPKINS, CHAS. MAYNE, CHAS. F. CROCKER, W. V. HUNTINGTON, J. L. WILLCUTT,

NICHOLAS T. SMITH.

Chief Engineer . . . WILLIAM HOOD . . . San Francisco. Land Agent . . . . JEROME MADDEN . . San Francisco.

GENERAL AGENT . . LELAND STANFORD . . . San Francisco.

AGENT AND ATTORNEY, C. P. HUNTINGTON, 23 Broad St., N. V. City.

#### OFFICERS OF NORTHERN DIVISION.

Superintendent . . . . . A. C. BASSETT . San Francisco.

Ass't Gen'l Freight Agent . E. J. MARTIN, Jr . San Francisco.

Ass't Pass'r and Ticket Agt . H. R. JUDAH . . . San Francisco.

#### ANNUAL REPORT

OF THE

#### BOARD OF DIRECTORS

OF THE

### Southern Pacific Railroad Co.

(OF CALIFORNIA)

TO THE

#### STOCKHOLDERS.



For the Year Ending December 31st, 1886.



### ANNUAL REPORT

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OF THE

#### BOARD OF DIRECTORS

OF THE

## Southern Pacific Railroad Co.

TO THE

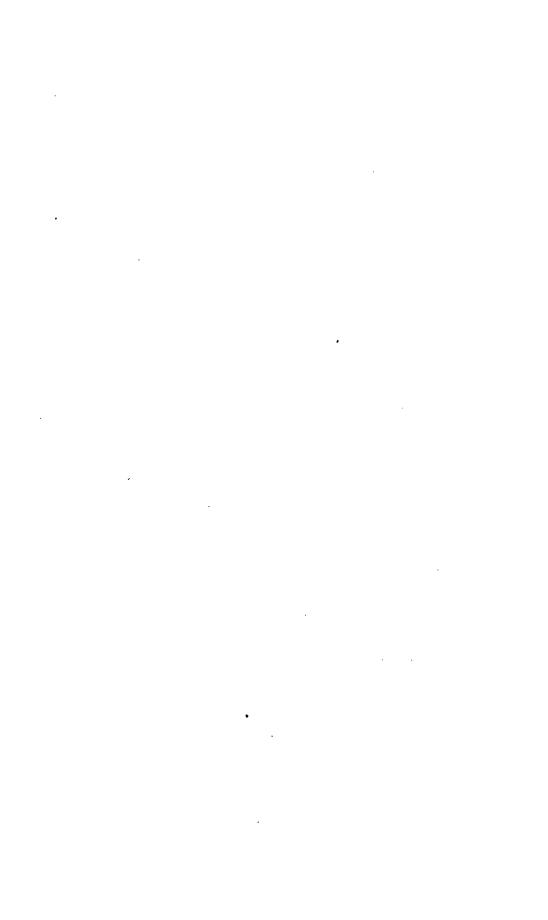
#### STOCKHOLDERS.

For the Year Ending December 31st, 1886.

San Francisco:

H. S. CROCKER & CO., PRINTERS.

1887.



#### ANNUAL REPORT

OF THE

#### SOUTHERN PACIFIC RAILROAD COMPANY

For the Year ending December 31, 1886.

#### PRESIDENT'S OFFICE.

SAN FRANCISCO, July 1st, 1887.

#### To the Stockholders:

The annual report for the fiscal year ending December 31st, 1886, accompanied by supplementary reports relating to the business of the Company and showing its financial condition at that date, is herewith submitted by your Board of Directors.

The liabilities and assets of the Company on December 31st, 1886, were as follows:

#### CAPITAL STOCK.

The capital stock authorize	ed	is				\$90,000,000 00
The amount subscribed is						47,352,900 00
The amount paid in is .						45,994,800 00

#### [ 4 ]

#### INDEBTEDNESS.

#### The debts at the same date were:

Funded debt—as per Statement No. 5	
Trustees of Mortgage	340,530 20
Reserve—for payment of taxes in litigation .	70,379 66
Bills and accounts payable	36,017 52
Total indebtedness	\$33,749,927 38

#### ASSETS.

#### The Assets were as follows:

Ten hundred and twenty-two $\frac{20}{100}$ miles of rail-
road and telegraph line; with sidings,
turn-tables, round-houses, wharves, etc.;
together with real estate, depots and depot
grounds—including an undivided half-in-
terest in sixty acres of land in Mission
· · · · · · · · · · · · · · · · · · ·
Bay, San Francisco
Equipment for same 3,400,591 11
Shop machinery and tools 180,138 04
Road tools
Furniture, telegraph instruments, etc 75,737 42
Sundry accounts due the Company 16,002 39
Cash in hands of Treasurer
Amount in hands of Trustees of Mortgage—to
be used in redemption of bonds 340,530 20
Land contracts—deferred payments on time
sales
Farming lands unsold
Total Assets

NOTE.—Above amount does not include the lands belonging to the Company, the value of which it is difficult to estimate.

#### FINANCIAL.

The reports of operations furnished by the Southern Pacific Company, lessees, show a steady increase in the business of our lines—a comparison of which is as follows:

For 1886.

1 01 1000.				
Gross earnings, Northern Div.	. \$1,649,824	83		
Less operating expenses	. 837,859	83	\$ 811,965	00
Gross earnings, Southern Div.	. \$3,294,131	49	*	
Less operating expenses	. 2,226,157	10	1,067,974	39
Earnings over operating	expenses		\$1,879,939	39
For 1885.				
Gross earnings Northern Div.	. \$1,281,762	96		
Less operating expenses	. 738,912	51	\$ 542,850	45
Gross earnings Southern Div .	. \$3,131,743	64		
Less operating expenses	. 1,721,514	4 I	1,410,229	23
Earnings over operating	expenses .		\$1,953,079	68

It will be observed that the earnings of the Northern Division show an increase over those of the previous year of upwards of 25 per cent, while the earnings of the Southern Division, owing to its participation in the transcontinental ratewar which was in force the greater part of the year, show but a small increase for the large volumne of traffic over this line during that period.

By the terms of the lease of March 1st, 1885, the Southern Pacific Company, lessee, is required to pay the interest on the bonded indebtedness of this Company, the current taxes upon its road and the cost of all additions and betterments to its property. During the last year the disbursements made by the lessee for these accounts have absorbed the excess of earnings above shown.

<sup>\*</sup>Exclusive of rental of the Colorado Division under lease to A. & P. R. R. Co., \$436,266.00.

#### ROAD AND EQUIPMENT.

The number of miles of road owned and in operation on December 31st, was as follows:
From San Francisco to Tres Pinos 100.49
From Huron (via Goshen) to the Colorado River 528.56
From Los Angeles (via Wilmington) to San Pedro . 24.65
From Carnadero to San Miguel 125.99
From Mojave to the Needles 242.51
Miles owned
Leased Lines.
Monterey Railroad-
from Castroville-junction to Monterey 15.12
Pajaro & Santa Cruz Railroad-
from Pajaro to Santa Cruz 21.20
from Aptos to Monte Vista
SAN JOSE & ALMADEN RAILROAD—
from Hillsdale to Almaden
Total miles in operation
Of which in round figures, 829 miles were at that date operated by the Southern Pacific Company and 242 miles by the Atlantic and Pacific (both under lease).
The rolling-stock (leased to the Southern Pacific Company) consists of:
LOCOMOTIVES 83   CARS:—
CARS:— Stock and Caboose 26
Passenger
Box and Combination Fr't 1,258 Section
Platform

The road and rolling-stock have been maintained in a good state of repair.

Additional rebuilding of a portion of the road in the Soledad Cañon, on the Southern Division, has been found necessary to avoid the consequences of any future floods. This has been accomplished by a change in the line (avoiding two river crossings), and has required the construction of upwards of four miles of road. The work has been done in a most thorough and substantial manner, and will save any further trouble at this point.

On the Northern Division several miles of track have been renewed with steel rails, while along the whole line additions and betterments in sidings, buildings and other structures, have been made at a heavy expense to the lessee company.

Early in the year the work was commenced of extending the Northern Division of the road south from the town of Soledad, through the Salinas River valley, to a junction with the Southern Pacific Branch railway at San Miguel, to which point the road was opened for traffic in October last.

#### CONNECTING LINES AND FEEDERS.

In our last annual report reference was made to the railroad proposed to be constructed by the Southern Pacific Branch Railway Company from San Miguel, via San Luis Obispo, Santa Barbara and Ventura, to connect with our main line at or near Newhall, and to the importance to this Company of the connecting road, by bringing within the circuit of railroad travel a wide range of agricultural lands which, for lack of transportation facilities, had been only partially developed, though admirably adapted to the culture of fruits and other farm products. Following the opening of our road to San Miguel, work was commenced on the Southern Pacific Branch Railway which was completed to Templeton, a distance of about fifteen miles, before the end of the year; when the working force was transferred to the line under construction from Newhall, on which the work has been pushed rapidly forward so as to effect a speedy completion of the road to Santa Barbara (distant eighty miles), and which it is now expected will be opened for traffic during the next month.

The partial construction even, of this road, has already given a great impetus to immigration into the counties of San Luis Obispo, Santa Barbara and Ventura, which are known to possess advantages in soil and climate equal to if not surpassing any region in the State. The very productive quality of the soil, and its adaptation to the cultivation of olives, figs, prunes, oranges and grapes, as well as all fruits grown in other parts of the State are fast becoming known. Owing to the difficulty of access to the interior of these counties, the greater portion of their population has heretofore been confined almost entirely to localities bordering on the coast, and the introduction of this new road will now make more accessible the fertile valleys lying adjacent to it.

#### NEW SOURCES OF LOCAL TRAFFIC.

It is undeniable that these counties as a health resort have no equal in the United States, the mild and equable climate and the benefits derived from their mineral waters, having already made them almost world-famed. The extension of the Northern Division brings the famous Paso Robles Hot Springs within easy access and furnishes another spot to be added to the many health and pleasure resorts on this division of our road.

In addition to the advantages possessed by these counties as a fine agricultural region and health resort, are their extensive mineral resources which with the growth of our State will become better known. The list includes gold, silver, copper, quicksilver, iron and coal; besides which building stone, onyx, gypsum, alabaster, lime, asphalt, sulphur and mineral substances of various kinds used in the arts and manufactures are also known to exist to a considerable extent.

Within the last year another new line has been projected and carried to completion under the title of the San Jose & Almaden Railroad, running from Hillsdale (about five miles south of San Jose) to Almaden, near the new Almaden mines. The transportation of the products of this famous quicksilver mine, and of the fine stone quarries along this line of road, with the development of other industries, will make it, for its length, a new and important feeder to the Northern Division.

#### LAND GRANT.

The business of the Land Department for the last year has far exceeded that of any previous year, the sales reaching upwards of a million seven hundred thousand acres. While considerable land has, no doubt, been sold for purposes of speculation, by far the larger quantity has been disposed of to new-comers who intend to settle in our State for the advantages to be gained through a mild climate, fertile soil, an unlimited field of operations, and a ready market for their products.

#### BONDED DEBT.

A statement of the bonded debt of the Company will be found in the report of the Secretary. During the year, sixty-five and a half miles of new road were built and \$1,900,000 of bonds issued. Bonds to the amount of \$817,000 were redeemed from proceeds of land sales, and \$340,000 remained in the hands of the Trustees for further redemption of bonds.

#### CONCLUSION.

Notwithstanding a large increase in business, the continued rivalry of competing trans-continental lines has caused a considerable loss of revenue to the Company from the extremely low rates which have been necessarily adopted, coupled with an increase in operating expenses consequent upon the large volume of traffic. Yet, as there seldom is a loss without a gain, the Southern Pacific has the satisfaction of knowing not only that it has maintained its position in the contest for trans-continental traffic but that it will hereafter reap the benefits to accrue from the great number of people who have been pouring into our State the last year through the prevailing low rates of fare. Many of these new arrivals have come with the intention of remaining permanently in our

State, and with capital, intelligence and enterprise, will doubtless establish themselves in the many industries open to them and so contribute to the development of new business to the ultimate benefit of our road.

The accompanying reports of other officers furnish further information of the operations of their respective departments.

CHARLES CROCKER,

President.

SECRETARY'S OFFICE.

SAN FRANCISCO, June 2, 1887.

CHAS. CROCKER, ESQ.,

President,-

SIR: I hand you herewith Annual Statements Nos. 1 to 7, inclusive, which show the operations of the Northern Division as furnished by the Southern Pacific Company (lessees), for the year ending December 31, 1886, and the financial condition of the Company on that date.

Respectfully submitted,

J. L. WILLCUTT,

Secretary.



#### No. I.

### Statement of Earnings and Operating Expenses, Northern and Southern Divisions, for Year Ending December 31, 1886.

	NORTHERN	DIVISION.	SOUTHER	N DIVIS'NS
Earnings.				
reight	\$889,431 40		\$2,224,614 26	1
assenger	693,657 34 17,761 28	! :	894,298 24	
xpress	17,761 28		43,069 45	
fail	14,156 12		65,343 19	l
iscenaneous	17,194 06		20,552 00 2,891 89	
eeping Car	4,800 00	١.	19,060 00	
ental	10,232 37	1	7,750 12	1
ggage			12,075 30	1
ileage	1.775 48		4,477 04	l
orage	816 78			1
			· <del></del>	·[_
Cotal Earnings		\$1,649,824 83	į	\$3,294,131 4
OPERATING EXPENSES.				
xpense of Superintendent	\$ 7,004 16		\$ 21,423 00	
ation Corrige	117,932 85		118,463 79	İ
elegraph "			31,603 58	1 .
ain "	99,526 64	!	171,110 79	· •
eeping Car "		}	769 73	l .
harf "	2,856 06	ľ	1,848 50	1
ocomotive "	178,470 44 173,568 96		824,475 48	
" Tools and Machinery	7,368 20	ļ l	396,107 64 14,064 78	i
pairs of Track	27,650 13		37,394 01	i
" Buildings	12,100 75		8,427 86	
" Engines	28,835 69		119,002 93	
" Cars	54.676 47		125,801 23	ĺ
fice Expense	27,357 95	1	55,753 40	
ationery and Printing	4,659 87		6,813 52	
lvertising	10,144 86		5,262 49	1
ss and Damage to Freight .	419 72		5,500 83	
mages-Persons and Property iscellaneous Expense		l i	7,080 02 15,121 12	1
ater Service	14,472 59 6,175 83		20,843 36	1
surance and Loss by Fire	31 71	,	6,136 93	1
leage	2,756 39	!	89,238 03	1
il Service	822 25			1
neral Expense	42,708 10		100,954 59	i
gal Expense	10,864 21		40,284 19	1
i	25 75		2,675 30	
Total Operating Expenses		\$837,859 83		\$2,226,157 1
arnings over Operating Ex-	1	1	ı	1

NOTE.—From March 1, 1885, operated by Southern Pacific Company.

Rental of Colorado Division received during the year, \$436,266.00.

J. L. WILLCUTT, Secretary.

### No. 2.

Exhibit of Earnings and Operating Expenses of the Northern Division by Months for the Year ending December 31, 1886.

## EARNINGS.

	January.	January. February March.	March.	April.	May.	June.	July.	August.	Sept.	October.	Nov.	Dec.	Total.
Freight	31,467 77	40,172 63	46,093 69	48,013 50	52,609 56	48,013 50 52,609 56 63,193 73	83,730 07	102,441 85	115,464 17	83,730 07 102,441 85 115,464 17 109,756 31 106,783 57	106,783 57	89,704 55	889,431 40
Passenger	. 34,631 80	35,642 74 44,466 88 34,871 67 67,669 40 70,653 44 80,069 17 79,602 22 63,334 62 35,061 50 54,632 88	44,466 88	54,871 67	67,669 40	70,653 44	80,069 17	79,602 22	63,334 62	55,061 50	54,632 88	53,021 02	693,657 34
Express	. 1,121 94 1,307 36	1,307 36	1,216 43	1,254 93	1,528 32	1,553 29	1,860 93	1,833 00		11,571 12 1,596 11	1,415 30	1,502 55	17,761 28
Mail	1,130 98	1,130 98	1,130 98	1,130 98	1,130 98	1,130 98	1,266 75	1,036 46	1,266 76	1,266 76 1,266 75	1,266 75	1,266 77	14,156 12
Miscellaneous	1,232 65	1,561 10	1,720 98	1,173 05	1,254 05	1,676 16	1,673 07	1,586 71	1,391 00	1,488 19	1,174 91	1,262 19	90 161'21
Telegraph	8 8	400 00	400 00	400 00	400 00	400 00	400 00	400 00	400 00	400 00	400 00	400 00	4,800 00
Rental	816 32	814 82	846 32	815 32	832 32	875 32	988 32	899 82	942 46	930 %	489 72	986	10,232 37
Mileage	140 09	80 101	89 98	1,185 08	262 55	•	:	:	•	•	:	:	1,775 48
Storage	54 50 .	50 44	¥.	31 02	?? 8	285 63	73 63	16 92	61 08	41 66	53 4	49 87	816 78
Total Earnings	70,996 05	81,181 15	95,996 56	108,875 55	125,741 18	139,768 55	170,061 94	187,826 97	184,431 21	170,541 46	166,216 57	148,187 64	70,996 05 81,181 15 95,996 56 108,875 55 125,741 18 139,768 55 170,061 94 187,826 97 184,431 21 170,541 46 166,216 57 148,187 64 1,649,824 83

# OPERATING EXPENSES.

	January.	February	March.	April.	May.	June.	July.	August.	Sept.	October.	Nov.	Dec.	Total.
Expense of Superintend't	570	552 86	549	559 36	715 28	. 595 56	573 15	551 81	553 80	90 698	565 45	648 05	7,004 16
Station Service	8,548	8,351 52	8,611 85			9,966 54		448					23
	748		825	173		318	687		365	200	615	312	9
Wharf "													9
Locomotive "		10,434 34	12,127 81	364			897			781		17,673 42	0
Repairs of Track		9,268 84	13,493 38								18,159 32	14,554 29	00
" Tools & Machin'y		292 60	350 42							482			90
" Bridges		771 94	1,399 35				-						0
" Buildings		316 66	434 92										0
" Engines		2,316 93	2,689 99				-						V
" Cars		3,377 57	3,546 57										P
Office Expense		2,222 06	2,297 90										1
Stationery and Printing.		169 44	258 31							281 41			
		436 80	723 65										Z
toFrei	_	53 00	14 65.			53 77	80 20	17 00	44 98			40 07	9
Damages - Persons and	302	578 70	2,500 00	200 00	67 80	2 50	-			665 25	241 50		
property													
Miscellaneous Expense.	1,409 55	1,053 87	1,140 05	1,150 05	1,100 42	1,140 05			1,189 87	1,404 00	I,235 33	1,140 05	
Water Service					409 28	407 09	400 21						175
Insurance and Loss by Fire		****						30 23			1 48		31 71
Mileage						50 45	319 52		025 02	923 90		253 04	
all Service												07 50	822
General Expense	1,248 87	1,807 49	1,036 09	1,937 38	I,577 38		1,351 50					1,805 85	
gal Expense											-2	1,070 57	864
Engineering	4												
Total Operating Expenses	54,015 43	49,720 79	59,326 00	58,143 97	94 965.49	70,305 64	68,517 25	77,299 13	79,971 32	85,188 07	88 806'88	81,872 89	837,859 83
Earnings over Operating	,	1				200	13			-		1	
Expenses	16,980 52	31,460 36	36,670 56	50,731 58	61,150 72	69,462 91	IOI,544 69	110,527 84	104,459 89	85,353 39	77,307 69	66,314 75	_

J. L. WILLCUTT, Secretary.

Nore,-From March 1st, 1885, operated by the Southern Pacific Company.

	No. 3.	No. 3.  No. 3.  No. 3.  Define Charles of Canada Ladrae December 1784	<del>ن</del> ع
Dr. Baiance Sneet of C	renerat Le	ager, December 3134, 1000.	
To Construction \$78,153,041 92		By Capital Stock	\$45,994,800 00
Real Estate 657,675 32	=-	First Mortgage Bonds	. 33,303,000 00
Equipment 3,400,591 11		Land Trust Fund (Mills & Lansing, Trustees)	340,530 20
Buildings and other Structures 1,280,291 21	<del></del>	† Taxes in Suspense	70,379 66
Machinery and Tools in Shops 180,138 04		Accounts due to sundry parties	36,017 52
Road Tools 9,166 23			1
Furniture, and Telegraph Instruments 75,737 42	75,737 42 \$83,756,641 25		
Sinking Fund Investment.	98,100 00		
Sundry Accounts due the Company	16,002 39	\	
Cash in hands of Treasurer	72,277 47	```\	
		,	\$79,744,727 38
		Profit and Loss	4,198,293 73
	\$83,943,021 11		\$83,943,021 11

]

70,379 66 36,017 52 18

† Reserve for payment of Taxes in litigation.

J. L. WILLCUTT, Secretary.

No. 4.

To General Expense	\$9,757 76	By Balance December 31st, 1885 \$5,370,991 66	\$3,370,991 66
Legal Expense	1,355 04	Redemption of Bonds (through sales of land, etc.) .	817,000 00
Taxes	12,531 51	Sinking Rund Investment & Co. S. P. R. R. Co.	
Street Assessments	178 69	Bonds, costing.	98,100 00
Sundry Accounts	S45 00	Miscellaneous	36,570 07
Annual Payment to Sinking Fund	100,000 00		
Balance December 31st, 1886	4,198,293 73		
		_	
	\$4,322,661 73		\$4,322,661 73
		† By Balance brought down	\$4,198,293 73

J. L. WILLCUTT, Secretary.

## No. 5.

Funded Debt, December 31st, 1886.

[	REMARKS.	Proceeds of land sales and a sinking	sion of bonds,	*			(1 1884. 718,000 (1 1885. 712,000	Total amount redeemed . \$ 4,179,000 Amount outstanding 33,393,000
Interest 6 4.	Amount. From From Sink- When Payable.	ct. 1 and April 1	April 1 and Oct. 1 redempt	April 1 and Oct. 1 Amount redeemed in 1877.	April 1 and Oct. 1	\$412,000 Oct. 1 and April 1	Oct. 1 and April 1	Total Amou
REDEEMED.	From Sink- ing Fund.	0 00	·		•	\$412,000	:	\$412,000
	From Land Sales.	\$988,000	120,000	429,000	241,000	858,000	1,131,000	\$3,767,000
ISSUED.	Amount.	\$15,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,482,000	\$37,482,000 \$3,767,000
Is	No. of Bonds.	17,000	2,000	2,000	5,000	2,000	2,482	. '
DS.	When Due. Authorized. Bonds.	"A" Apr. 1, 1875 Apr. 1, 1905 \$15,000,000 17,000 \$15,000,000	5,000,000	2,000,000	5,000,000	2,000,000	5,000,000	
FIRST MORTGAGE BONDS.	When Due.	Apr. 1, 1905	Oct. 1, 1905	9061 ',	9061 ',	Apr. 1, 1912	1, 1912	
	Date.	Apr. 1, 1875	"B" Oct. 1, 1875 Oct. 1, 1905	"C" " 1, 1876 " 1, 1906	"D" " 1,1876 " 1,1906	"E" Apr. 1, 1882 Apr. 1, 1912	"F" " 1, 1882 " 1, 1912	
	Series.	" <b>A</b> "	"B"	"ວ"	"D"	· 甘	; H	

J. L. WILLCUTT, Secretary.

#### No. 6.

### Comparative Statement of Earnings and Operating Expenses of the Northern Division

for the Years 1883, 1884, 1885 and 1886.

	Year Ending	Year Ending	Year Ending	Year Ending
	Dec. 31, 1883.	Dec. 31, 1884.	Dec. 31, 1885.	Dec. 31, 1886.
Earnings.		-		
Freight	\$624,668 77	\$762,563 33	\$603,717 99	\$889,431 40
Passenger	600,044 00	641,293 02	600,750 78	693,657 34
Express	16,484 75	18,566 13	17,984 72	17,761 2
Mail.,	13,571 76	13,571 76	13,571 76	14,156 1
Miscellaneous	8,574 47	14,571 73	27,827 78	17,194 0
Telegraph	3,000 00	3,000 00	4,050 00	4,800 0
Rental	10,777 21	9,991 02	10,303 17	10,232 3
Mileage	¦ • • • • • • • •		1,216 39	1,775 4
Storage	5,391 93	4,619 35	2,340 37	816 78
Total Earnings	\$1,282,512 89	\$1,468,176 34	\$1,281,762 96	\$1,649,824 8
OPERATING EXPENSES.				
Expense of Superintendent	5,716 52	6,436 75	6,580 65	7,004 10
Station Service	83,236 56	90,776 37	111,142 55	117,932 8
Train Service	82,726 54	92,791 40	87,604 28	99,526 6
Wharf Service	1			2,856 o
Locomotive Service	172,048 24	196,656 62	158,847 92	178,470 4
Repairs of Track	110,783 01	161,477 04	143,115 01	173,568 9
" Tools and Machinery	4,389 58	4,946 11	5,560 06	7,368 2
" Bridges	12,040 54	19,211 42	14,497 13	27,650 1
" Buildings	11,510 96	19,145 11	6,018 82	12,100 7
" Fences	4,677 86	21,559 10		l <b></b> . ,
" Engines	32,556 42	35,269 69	27,033 00	28,835 6
" Cars	50,165 09	58,799 12	49,487 06	54,676 4
Office Expense	40,609 98	43,641 09	33,784 06	27,357 9
Stationery and Printing	9,040 61	9,014 83	7,391 91	4,659 8
Advertising	9,419 80	13,005 69	8,721 14	10,144 8
Loss and Damage to Freight	926 00	838 21	1,062 71	419 7
Damages—Persons and Property	412 73	844 79	504 87	7,430 2
Miscellaneous Expense	758 64	1,027 31	15,818 63	14,472 5
Water Service	6,699 29	6,741 12	5,900 76	6,175 8
Insurance and Loss by Fire	· · · · · · · · · · · · · · · · · · ·		430 00	31 7
Mileage			312 54	2,756 3
Mail Service	752 50	807 50	785 8o	822 2
General Expense		• • • • • • •	24,386 20	42,708 10
Legal Expense		••••	29,927 41	10,864 2
Engineering	20,400 00	52,200 00		25 75
Total Operating Expenses	\$658,870 87	\$835,189 27	\$738,912 51	\$837,859 83
Earnings over Operating Exp	\$623,642 02	\$632,987 07	\$542,850 45	\$811,965 oc

NOTE.—From March 1, 1885, operated by Southern Pacific Co.

J. L. WILLCUTT, Secretary.

# No. 7.

	PERIOD	Ğ				Karnings	Ratio of	MILES	MILES OF ROAD.
nori)	(from October 1st, 1870.)	. 1st, 18	370.)	Earnings.	Operating Expenses.	over Operating Expenses.	Operating Expenses.	Average Operated.	Total at end of year.
Nine months ending June 30, 1871	ending	June 3	0, 1871	\$430,097 50	\$222,427 06	\$207,670 44	Per Centum.	66:16	66:16
For year	=	=	1872	723,856 01	376,278 11	347,577 90	.51982	103.12	111.15
:	3	=	1873	95,511 56	458,739 14	538,772 42	.45988	123.29	129.36
:	3	=	1874	1,068,223 12	463,674 34	664,548 78	.56593	158.20	160.89
:	z	=	1875	1,551,416 54	650,385 52	901,031 02	.58078	160.89	160.89
:	3	š	1876	1,584,839 36	852,329 63	732,509 73	61297	160.89	160.89
;	z	\$	1877	1,306,188 98	600,269 03	705,919 95	-45955	160.89	160.80
Six months	ending Dec. 31, 1877.	Dec. 3	1, 1877	406,429 14	226,730 39	179 698 75	.55785	160.89	160.89
For year	3	=	1878	1,013,886 58	514,542 55	499,344 03	.50749	160.89	160.89
	÷	:	6781	889,327 13	526,565 35	362,761 78	.59209	160.89	160.89
;	:	3	1880	1,018,844 00	86 628,175	447,014 02	.56125	170.52	176.01
;	3	=	1881	1,158,014 78	587,125 26	570,889 52	.50701	176.01	176.01
:	:	=	1882	1,257,399 35	614,891 78	642,507 57	.48901	176.01	176.01
:	:	=	1883	1,282,512 89	658,870 87	623,642 02	.51373	197.51	197.51
;	:	:	1884	1,468,176 34	835,189 27	632,987 07	.56886	202.21	202.21
;	=	:	1885	1,281,762 96	738,912 51	542,850 45	.57648	202.21	202.21
;	=	:	1886	1,649,824 83	837,859 83	811,965 00	.50785	226.65	288.71

J. L. WILLCUTT, Secretary.

#### NORTHERN DIVISION.

#### REPORT OF THE SUPERINTENDENT.

SAN FRANCISCO, April 28, 1887.

#### Hon. Leland Stanford,

President Southern Pacific Company.

SIR: I respectfully present to you the following report of the business of this Division for the year ending December 31, 1886:

The number of miles of road operated on the date above named was 288.71, as follows:

Southern Pacific R. R. of California—north of Goshen. MIL	es.
San Francisco to Tres Pinos	224.79
Southern Pacific Branch Railway.	
San Miguel to Templeton	14.80
Monterey Railroad.	
Castroville Junction to Monterey	15.12
Pajaro & Santa Cruz Railroad.	
Pajaro to Santa Cruz	
Aptos to Monte Vista	26.20
San Jose & Almaden R. R.	
Hillsdale to Almaden	7.80
Total mileage, Northern Division	288.71

Construction on the extension of the road south of Soledad was commenced in the spring of the year, and on July 20, 1886, the line was opened for traffic to King's City, distant 20.3 miles south of Soledad; on August 20, to San Ardo, 39.5 miles; on October 18, to San Miguel, 63.9 miles; on October 31, to Paso Robles, 73.2 miles; and on November 16, to Templeton, 78.7 miles south of Soledad, and 221.6 miles south of

San Francisco.\* The construction force was then withdrawn, and Templeton, San Luis Obispo county, is now the southern terminus in operation by this Division. On November 16, the San Jose and Almaden road, 7.8 miles in length, was opened for traffic. In all, 86.5 miles of new road were added to this Division during the year. The average mileage operated for the year was 226.65 miles.

### EARNINGS AND OPERATING EXPENSES.

The earnings, operating expenses and earnings over operating expenses, of the lines above shown, for the calendar year 1886 are as follows: for the purpose of comparison, the same items are also stated for the calendar year 1885:

### EARNINGS.

Gross earnings for the year ending December 31, 1885\$1,281,762 96 Gross earnings for the year ending December 31, 1886
OPERATING EXPENSES.
Operating expenses for the year ending December 31, 1885
EARNINGS OVER OPERATING EXPENSES.
Earnings over operating expenses for year ending December 31, 1885 \$ 542,850 45  Earnings over operating expenses for year ending December 31, 1886 811,965 oo
Percentages of operating expenses to earnings:  For 1885 57.65  For 1886 50.78

<sup>\*</sup> The last two stations, on line of Southern Pacific Branch Railway.

### TRAFFIC.

### FREIGHT TRAFFIC.

The tonnage movement over the Northern Division for 1886, as compared with 1885, was as follows:

! !	Pounds, 1885.	Pounds, 1886.
Grain	85,329,873	175,144,287
Lumber and other forest products	61,523,530	138,144,041
Other commercial freight	413,854,772 57,872,590	493,067,783
Company's freight	57,872,590	70,027,192
Total	618,580,765	876,383,303

### PASSENGER TRAFFIC.

Below is shown the comparative movement of passengers over the Northern Division :

Number of	passengers	carried	year	1885.	•			. 661,199
Number of	passengers	carried	year	1886.				. 728,629

### ROADWAY AND ROLLING STOCK.

There were 13.55 miles of track renewed with steel rails on the main line between Castroville and Soledad, and 35,000 ties used for renewals.

The iron in the main-line track has gradually been replaced with steel; less than thirty miles remain now of the former, and the track generally has been materially improved.

There was an expenditure of \$10,685.81 for additions and betterments to track and water supply not included in operating expenses, some of the principal items being change of line at Soquel, sidings at San Francisco, Bernal, Laguna, Monte Vista, Kings, Hollister, San Miguel, Hillsdale, San José and Oak Grove; also well at Salinas River bridge.

During the year three Schenectady locomotives were added to the equipment, making a total of thirty-eight locomotives on December 31, 1886.

A comparison of the miles run and cost of maintenance of engines for the past two years is shown below:

Miles Run.	1885.	1886.
On Passenger Trains	394,678	423,931
On Freight Trains	170,934 234,865	224,328 260,413
Total	800,477	908,672
Miles run to one ton of coal w	ere in 1885	53.56
Miles run to one ton of coal w		
The average cost of coal per to	on was in 1885	\$6 02
The average cost of coal per to	on was in 1886	5 62
The cost of locomotive service 1885		
The cost of locomotive service		
	•	207,306 13
The cost per mile was for 188	5—in cents	23.07
The cost per mile was for 1886		
The number and kind of shown below:	cars leased on l	December 31 are
Passenger Cars 74	Officers'	I
Parlor 2		7
Emigrant	1	1
Combined Passenger and	Box Freight	374
Baggage 2	Platform Frei	ght 247
Combined Baggage, Mail	Pile-driver .	
and Express 13	Hand	55
Smoking 3		55
	•	

There were added to the equipment six first-class Barney & Smith passenger coaches. There were built at our shops and placed in service; one caboose, one station hay car, thirteen hand cars, fourteen push cars, and thirty-nine flat cars. Twelve logging cars were sold, one boarding-house car condemned and one pile-driver car dismantled and placed in service as a flat car.

A list of the principal structures built or improved during the year on this Division is given below (the cost of this work is not included in operating expenses):

Bridge at Twenty-ninth street, San Francisco, bridge near Soquel, addition to Bridge near Santa Cruz, roundhouse and small buildings at Castroville, freight platforms at Aptos and Seabright; derrick and platform at San Jose, and turn-table at Molino.

The buildings have been kept in good repair during the year and the bridges have been materially strengthened.

### GENERAL REMARKS.

The early promise of 1886 was fully carried out, a most gratifying increase in traffic resulted from the bountiful crops, and the rolling-stock of the road was taxed far beyond its capacity to handle it. However, locomotives and cars have been kept in good working condition. Aside from large quantities of construction material hauled, and the regular business done north of Soledad, a heavy tonnage of grain was brought up from shipping points on the new road, and this would have been increased considerably had the road been opened for traffic at an earlier date. The counties of Monterey and San Luis Obispo contain large tracts of land, the soil of which is remarkable in its adaptability to the growth of cereals, fruits and Heretofore by reason of the remoteness of markets, but a comparatively small portion of this land has been tilled. With the opening of the Soledad Extension, however, an impetus has been given agricultural life in those counties. Thousands of acres of Government land have been preëmpted by actual settlers, and hundreds of families have established homes there within the past year. New towns have sprung up, large flouring mills have been erected or are in process of construction, and all the industries peculiar to a new and prosperous agricultural section have a representation on the line of the road. A sufficient—though late—rainfall this year will, it is hoped, give abundant crops in the section referred to, as well as throughout the territory served by the Northern Division.

There have been no accidents to trains or interruptions of traffic during the year.

Respectfully yours,

A. C. BASSETT,

Superintendent Northern Division.

### LAND DEPARTMENT.

SAN FRANCISCO, CAL., March 31, 1887.

# To the President and Directors of the Southern Pacific Railroad Company:

Gentlemen.—Herewith I send you a full statement, dated January 3d, 1887, of the business of this Department since commencement of sales of land (April 1st, 1875) and also for the year ending December 31st, 1886.

I have to report continued prosperity in California during the past year. The agricultural product has largely increased, new industries have been successfully established, and commercial business has been good. The current of population has set in with extraordinary fullness and with indication that it will not be diminished for a long time to come. The influx of strangers, particularly from the Eastern and Northwestern States, is remarkable. These come with ample means, seeking investment, so that there is every prospect that a rapid settlement of the lands in California is in a fair way of being accomplished. The demand for land has been and is exceedingly active, and large sales have been made. No diminution in this demand is likely to occur, for the new settlers are so pleased with the country, and send back such glowing accounts of its resources and mild, equable climate, that the tide of purchasers is turned to this part of the Pacific Coast. All the hotels cannot furnish accommodations to the thousands of tourists who have come during the last four months, and who will continue to come in increasing numbers; so that new hotels, large, costly and commodious are being erected in almost all the towns and villages.

All the industries which create wealth are here in their infancy—the viticultural and fruit interests as well as general agriculture and manufactures.

The State, although possessing great natural advantages, is as yet but thinly settled; for with an area of 165,000 square miles, easily capable of supporting a population of 10,000,000, there are now only about 1,000,000 of inhabitants. The people are, however, intensely alive, and are devoting their energy in all directions, in founding towns and villages, planting vineyards and orchards, turning forests into lumber, building manufactories, and everywhere pushing on in the line of industrial development. Comprehensive schemes of irrigation are being devised and carried out, which double the productive capabilities of the soil, and simultaneously with this movement is the commencement of a system of branch railroads and feeders. which will bring large tracts of country into close communication with markets and facilitate settlement. As a consequence, a new and largely increased impulse prevails in the purchase of real property in all parts of the State, but notably so in the Southern part of the San Joaquin (Tulare) valley, where there is a vast area of fine agricultural lands, with an immense supply of water for irrigation from the various large rivers of that section, including the San Joaquin, King's, Kaweah, Tule, White and Kern rivers, and also from the minor watercourses. and from hundreds of artesian wells. Large quantities of fine land can be had there now at cheap prices, and business men with abundant capital take advantage of the opportunity, and invest freely. With the railroads in that country now finished, and others to be completed and in operation during this year, and with the conditions already mentioned of fine climate, fertile land and abundance of water, there is absolute certainty in the near future of large towns and great commercial prosperity, and as a consequence, of rapid increase in real estate values. In the towns of Fresno and Tulare, the improvements are remarkable. Large and expensive business blocks are The advancement is not confined to going up on all sides. these places alone, for throughout the entire southern San Joaquin (Tulare) valley, the villages are quickly changing

into towns, and these will soon be transformed into large and populous cities.

As a result of the foregoing, settlement is extending into distant districts. This will create a demand for several million acres of lands of the Company more remote from its line of railroad and yet unsold; and before long they will be disposed of for good prices, which will yield a very large sum of money.

Respectfully,

(Signed) JEROME MADDEN,

Land Agent.

### [ 30 ]

### SOUTHERN PACIFIC RAILROAD CO.

### ANNUAL STATEMENT, 1886.

## Statement of Business of the Land Department to December 31st, 1886. SALES.

Number of Acres and How Sold	<b>)</b> .	Commence't of Sales (April 1, 1875) to Dec. 31, 1885, inclusive. Considerat'n.	Jan. 1, 1886,	Total.
Acres.				
Sales for Cash in full		\$ 650,831 15	\$ 49,025 90	
Sales on Credit	274,712.02	4,171,595 21	838,366 98	\$699,857 os
	1,444,337.67	i		5,009,962 19
Total	. 1,719,049.69	\$4,822,426 36	\$887,392 88	\$5,709,819 24
Recapitulation	n of Sales fo	r 1886	·	
Acres sold for cash			11,929.39 1 301,705.06	for \$ 49,025 90 " 838,366 98
Total			313.634.45	" \$887,392 88
Contracts to December 31, 1886, said lands l verted to the Company . Leaving . Average price per acre				
			nounting to .	. \$5,460,529 44 \$3.3083+
	RECEIPTS.		nounting to .	. \$5,460,529 44 \$3.3083+
	RECEIPTS.		From	. \$5,460,529 44 \$3.3083+ Total Receipts to Dec. 31, 1886, inclusive.
Full paid Contracts on Cash Sales First payment on Time Contracts . First year's interest on remainder due on Time Cocond " interest on remainder due on Time Cocond " interest on remainder due on Time Coco	RECEIPTS.	From Commence't of Sales to Dec. 31, 1885, inclusive. \$650,831 15 842,835 65 245,177 07 176,960 76	From Jan. 1, 1886, to Dec. 31, 1886,	Total Receipts to Dec. 31, 1886,
Full paid Contracts on Cash Sales First payment on Time Contracts First year's interest on remainder due on Time C Second " " " " " " " " " " " " " " " " " " "	RECEIPTS.	From Commence't of Sales to Dec. 31, 1885, inclusive. \$650,831 15 842,835 65 245,177 07 176,960 76 120,955 83	From Jan. 1, 1886, to Dec. 31, 1886, inclusive. \$ 49,025 90 166,120 09 45,800 62 35,251 04 34,773 95	Total Receipts Dec. 31, 1886, inclusive.  \$ 699,857 05 1,008,955 74 290,977 69 212,211 80 155,729 78
Full paid Contracts on Cash Sales First payment on Time Contracts First year's interest on remainder due on Time Cocond " " " " " " " " " " " " " " " " " " "	RECEIPTS.	From Commence't of Sales to Dec. 31, 1885, inclusive. \$650,831 15 842,835 65 245,177 07 176,960 76	From Jan. 1, 1886, to Dec. 31, 1886, inclusive.  \$ 49,025 90 166,120 09 45,800 62 35,251 04	Total Receipts to Dec. 31, 1886, inclusive.  \$ 699,857 05 1,008,955 74 290,977 69 212,211 80
Full paid Contracts on Cash Sales  First payment on Time Contracts  First year's interest on remainder due on Time C Second " " " "  Third " " " " "  Fourth " " " " "  Sixth " " " " "	RECEIPTS	From Commence't of Sales to Dec, 31, 1885, inclusive.  \$650,831 15 842,835 65 245,177 07 176,960 76 120,955 83 90,332 39 60,684 60 19,184 21	From Jan. 1, 1886, to Dec. 31, 1886, inclusive.  \$ 49,025 90 166,120 09 45,800 62 35,251 04 34,773 95 13,105 79 14,589 23 5,449 01	Total Receipts to Dec. 31, 1886, inclusive.  \$ 699,857 05 1,008,955 74 229,977 69 212,211 80 155,729 78 103,438 18 75,273 83 24,603 22
Full paid Contracts on Cash Sales First payment on Time Contracts First year's interest on remainder due on Time C Second " " " " " Fourth " " " " " Fourth " " " " " Seventh " " " " " Seventh " " " " " Seventh " " " " "	RECEIPTS	From Commence't of Sales to Dec. 31, 1885, inclusive.  \$650,831 15 842,835 62 245,177 07 176,960 76 120,955 83 90,332 39 60,684 60 19,184 21 7,517 68	From Jan. 1, 1886, to Dec. 31, 1886, inclusive.  \$ 49,025 90 166,120 09 45,800 62 35,251 04 34,773 95 13,105 79 14,589 23 5,419 01 739 13	Total Receipts to Dec. 31, 1886, inclusive.  \$ 699,857 05 1,008,955 74 290,977 69 212,211 80 155,729 78 103,438 18 75,273 83 24,603 22 8,256 81
Full paid Contracts on Cash Sales  First payment on Time Contracts  First year's interest on remainder due on Time Contracts  Third " " " " " " " " " " " " " " " " " " "	RECEIPTS	From Commence't of Sales to Dec. 31, 1885, inclusive. \$650,831 15 842,835 65 245,177 07 176,960 76 120,955 83 90,332 39 60,684 60 19,184 21 7.517 68	From Jan. 1, 1886, to Dec. 31, 1886, inclusive.  \$ 49,025 90 166,120 09 45,800 62 35,251 04 34,773 95 13,105 79 14,589 23 5,449 01	Total Receipts to Dec. 31, 1886, inclusive.  \$ 699,857 05 1,008,955 74 290,977 69 212,211 80 155,729 78 103,438 18 75,273 83 24,603 22
Full paid Contracts on Cash Sales	RECEIPTS	From Commence't of Sales to Dec. 31, 1885, inclusive.  \$650,831 15 842,835 65 245,177 67 176,960 76 120,955 83 90,332 39 60,684 60 19,184 21 7,517 68 1,781 02 374 81 111 36 919,306 39 \$3,136,052 92 275,205 77	From Jan. 1, 1886, to Dec. 31, 1886, inclusive.  \$ 49,025 90 166,120 90 45,800 62 35,231 04 34,773 95 13,105 79 14,589 23 5,419 01 739 13 538 45	Total Receipts to Dec. 31, 1886, inclusive.  \$ 699,857 05 1,008,955 74 290,977 69 212,211 80 155,729 78 103,438 18 75,273 83 24,603 22 8,256 81 2,319 47 374 81 111 36

Total amount received and paid over. . . . . . . . . . . . . \$3,415,120 89 \$1,007,435 07

SAN FRANCISCO, CAL., January 3, 1887.

JEROME MADDEN, Land Agent.

Office of Chief Engineer.

SAN FRANCISCO, March 19, 1887.

To the President and Directors of the Southern Pacific Railroad Company:

The main line of your railroad in the Salinas River valley has been extended during the year 1886 from the former terminus at Soledad, southeasterly, a distance of sixty-five and  $\frac{501}{1000}$ miles, to a point near the westerly bank of the Salinas river, at which the Southern Pacific Branch Railway Company's railroad diverged from your railroad. This new railroad has been built in a substantial manner, and the track laid with steel rails of American manufacture. In Los Angeles county some portions of the railroad were damaged by a flood of unprecedented violence in the cañon of the Santa Clara river, known as Soledad Cañon, and it was deemed prudent to rebuild the road at these places in a substantial manner, mostly by benching the line on a roadbed excavated in rock. These changes involved the abandoning of the bridges known as the third and fourth crossings of Santa Clara river, and the building of two tunnels of 113.02 feet and 187.34 feet in length respectively, and the construction in all of new road 22,930.55 feet in length.

Respectfully submitted,

(Signed) WILLIAM HOOD,

Chief Engineer.

### REPORT OF TRUSTEES

Under Mortgage of April 1, 1875.

SAN FRANCISCO, January 1st, 1887.

# To the President and Board of Directors of the Southern Pacific Railroad Company:

We beg to submit the following report of transactions for the fiscal year of the Company ending December 31st, 1886, viz.:

Balance on hand, as per report of January 1st, 1886 \$246,223 Amount received during the year	<b>4</b> 6
ending December 31st, 1886 980,727	17
Total	53
Out of this sum we have redeemed 817 bonds of \$1,000 each, amounting to \$817,000, at a cost of	13
Leaving cash on hand January 1st, 1887 \$340,530	20
D. O. MILLS, GERRIT L. LANSING,  Trustees.	



### \*OFFICERS\*

OF THE

# Southern Pacific Railroad Company

(OF CALIFORNIA)

### 1886-7.

### DIRECTORS.

CHARLES CROCKER, TIMOTHY HOPKINS, CHAS. MAYNE, CHAS. F. CROCKER, W. V. HUNTINGTON, J. L. WILLCUTT,

NICHOLAS T. SMITH.

PRESIDENT	CHARLES CROCKER San	Francisco.
VICE-PRESIDENT	CHAS. F. CROCKER San	Francisco.
TREASURER	N. T. SMITH San	Francisco.
SECRETARY	J. L. WILLCUTT San	Francisco.

Chief Engineer. . . WILLIAM HOOD . . . San Francisco. Land Agent . . . JEROME MADDEN . . San Francisco.

GENERAL AGENT . . . LELAND STANFORD . . . San Francisco.

AGENT AND ATTORNEY, C. P. HUNTINGTON, 23 Broad St., N.Y. City.

### OFFICERS OF NORTHERN DIVISION.

Superintendent. . . . . . A. C. BASSETT. , San Francisco. Ass't Gen'l Freight Agent , E. J. MARTIN, Jr. . San Francisco. Ass't Pass'r and Ticket Agt , H. R. JUDAH . . . San Francisco.

GENERAL OFFICES:

Fourth and Townsend Sts., San Francisco, Cal.

## ANNUAL REPORT

OF THE

# outhern Pacific Railroad Co.

OF CALIFORNIA.

1887.



# REPORT OF THE DIRECTORS

OF THE

# SOUTHERN PACIFIC RAILROAD CO.

(OF CALIFORNIA)

TO THE

## STOCKHOLDERS,

For the Year Ending December 31st, 1887.

San Francisco:
H. S. CROCKER & CO., PRINTERS.

1888,



### REPORT

OF THE

## BOARD OF DIRECTORS.

SOUTHERN PACIFIC RAILROAD COMPANY.

SAN FRANCISCO, CAL., May 15, 1888.

### To the Stockholders:

Your Directors submit herewith their annual report, together with such supplementary reports of the officers of the operating and financial departments, as will exhibit the operations for the year and the financial condition of the company on December 31st, 1887.

The liabilities and assets of the company were:

### CAPITAL STOCK.

The capital stock authorized is					\$90,000,000 00
The amount subscribed is	•				47,352,900 00
The amount paid in is		•	•	•	45,994,800 00

### INDEBTEDNESS.

The	debts	at	the	same	date	were:	•
-----	-------	----	-----	------	------	-------	---

Funded debt—as per statement No. 5	\$32,431,500 00
Trustees of Mortgage	556,639 52
Reserve—for payment of taxes in litigation .	62,766 36
S. P. Co.—for additions and betterments	634,006 88
Bills and accounts payable	<b>29,484</b> 50
Total indebtedness	\$33,714,397 26

### ASSETS.

### The Assets were as follows:

Ten hundred and twenty-two $\frac{20}{100}$ miles of railroad and telegraph line; with sidings, turn-tables, round-houses, wharves, etc.; together with real estate, depots and depot grounds—including an undivided half-interest in sixty acres of land in Mission
Bay, San Francisco
Equipment for same 3,411,495 82
Shop machinery and tools 186,659 73
Road tools
Furniture, telegraph instruments, etc
S. P. Co.—on account of lease 120,084 42
Sundry accounts due the Company 8,788 82
Cash in hands of Treasurer
Amount in hands of Trustees of Mortgage—to
be used in redemption of bonds 556,639 52
Bills receivable — deferred payments on land
sales
Sinking Fund Investment 202,000 00
Farming lands unsold
Total Assets

Note.—Above amount does not include the lands belonging to the Company, the value of which it is difficult to estimate.

### OPERATIONS UNDER LEASE.

The reports of operations are furnished in detail by the Southern Pacific Company, and appear in the Secretary's report; they show a large increase in traffic for the year, as compared with that of the preceding year—as follows:

### OPERATING EARNINGS AND EXPENSES.

For	1887.
-----	-------

101 100/.				
Earnings, Northern Division .	\$1,727,244	85		
Less operating expenses	944,800	92	\$ 782,443	93
Earnings, Southern Division .	\$4,249,973	33		
Less operating expenses	3,061,044	62	1,188,928	7 I
Earnings over operating	expenses .		\$1,971,372	64
For 1886.	•			
Earnings, Northern Division .	\$1,649,824	83		
Less operating expenses	837,859	83	\$ 811,965	00
Earnings, Southern Division .	\$3,294,131	49		
Less operating expenses	2,226,157	10	1,067,974	39
Earnings over operating	expenses .		\$1,879,939	39
For 1886.  Earnings, Northern Division .  Less operating expenses  Earnings, Southern Division .  Less operating expenses	\$1,649,824 837,859 \$3,294,131 2,226,157	83 83 49 10	\$ 811,965 1,067,974	3

It will be observed that the earnings for the last year show an increase over the preceding year of upwards of one million dollars, or nearly twenty-one per cent, and the operating expenses an excess of about nine hundred and forty thousand dollars, making a net increase of upwards of ninety-one thousand dollars.

The increase in earnings arises not only from a larger traffic, but may be attributed in a measure to better and more uniform rates.

### GROSS EARNINGS AND EXPENSES.

GROSS MARNINGS AND MATERIAL	<b>*</b> 5.	
For 1887.		
Earnings over operating expenses (as shown). Receipts from rentals		-
Total earnings	\$2,477,960	I 2
Less payments—		
Rental leased lines		
Total expenses	\$2,307,888	77
Net surplus	\$170,071	35
For 1886.	•	
Earnings over operating expenses (as shown). Receipts from rentals		
Total earnings	\$2,385,316	93
Less payments —		
Rental leased lines \$ 94,907 08 Taxes		
Total expenses	\$2,205,962	17
Net surplus	\$179,354	76

The foregoing shows the actual earnings of our road and leased lines or branches, for the years named, but as they are operated under a lease with various other lines, our company receives only its percentage of the net profits arising from the operations of all the lines under the lease. In our last report it was stated that the operations for the year 1886 resulted in a net loss to the joint lines under the lease, and the deficit deducted from the net surplus since last settlement with the Southern Pacific Company shows our company's

proportion of the net profit to December 31st, 1887, to be \$120,084.42, which amount added to \$308,743.48, received and credited in 1885, makes a total of \$428,827.90 as our entire proportion of the net profit from the commencement of the lease—March 1st, 1885.

### INCOME.

The income shown under the operations of the lease, is	<b>\$ 120,084</b>	42
Deduct expenses for the year, as shown in the Secretary's report, viz.:		
General expense \$ 7,590 76		
Legal expense 1,420 35		
Taxes 3,991 23		
Land Department expenses . 74,717 57	87,719	91
leaves net	\$ 32,364	51
to which we can add the following revenue from other sources:		
Land Sales: as per Land Agent's report.		
Amount of sales for the year, applicable		
to redemption of bonds—		
principal	1,935,548	78
interest on deferred payments .	230,565	54
Received for rental of farming lands	2,788	о8
Received for timber, stumpage, etc	2,659	06
Interest: Interest earned on Sinking-Fund in-		
vestments	5,400	00
showing the actual Net Income for the year	\$2,209,325	97
The income from land sales, rental of land, et	c., and inter	est

The income from land sales, rental of land, etc., and interest earned on sinking-fund investment, together with \$100,000 set aside for the sinking fund, are all applicable towards the payment of the funded debt of the company.

The current expenses of the Land Department, taxes upon granted lands, general or corporation expenses, and legal expenses not connected with the property leased, are not a charge to the Southern Pacific Company, and therefore must be deducted from our income account.

### BETTERMENTS AND ADDITIONS.

Under the terms of the lease of March 1st, 1885, the Southern Pacific Company has been required to pay not only the interest on the bonded indebtedness of this company, the taxes and operating expenses, but also to make all necessary additions and betterments to the leased property: and the net profits under the lease have been ascertained by deducting from the earnings of the leased lines all such expenses and all such payments as have been made for new property and permanent improvements, including real estate, buildings and rolling stock. It has been deemed desirable by the several parties to the lease to so modify this manner of stating the net profits that such new property shall in each case be a charge directly to the road to which the property is added, and that the net profits shall be ascertained and paid to the several railroad companies without deducting therefrom for such additions and betterments. This modification has been agreed to by all the parties to the lease, and an account has been rendered by the Southern Pacific Company to December 31st, 1887, for the betterments and additions to this company's property since March 1st, 1885, amounting to \$634,006.88, details of which will be found in the Secretary's report.

### ROAD AND EQUIPMENT.

The number of miles of road owned and in operation on December 31st, was as follows:

From San Francisco to Tres Pinos	100.49
From Huron (via Goshen) to the Colorado River	528.56
From Los Angeles (via Wilmington) to San Pedro .	24.65
From Carnadero to San Miguel	125.99
From Mojave to the Needles	242.51
Carried forward — miles owned	

Brought forward — miles owned 1,022.20
Leased Lines:
Monterey Railroad—
from Castroville-junction to Monterey , 15.12
PAJARO & SANTA CRUZ RAILROAD-
from Pajaro to Santa Cruz 21.20
from Aptos to Monte Vista 5.
26.20
SAN JOSE & ALMADEN RAILROAD—
from Hillsdale to Almaden 7.80
SOUTHERN PACIFIC BRANCH RAILWAY—
from San Miguel to Templeton 14.80
from Saugus to Elwood 91.50
106.30
Total miles in operation
Of which in round figures, 935 miles were at that date operated by the Southern Pacific Company and 242 miles by the Atlantic and Pacific (both under lease).
The rolling-stock (leased to the Southern Pacific Company) consists of:
LOCOMOTIVES 83   CARS:—
CARS:— Stock and Caboose 27
Passenger
Baggage, Mail and Express 16 Hand 154 Box and Combination Fr't 1,258 Section 137
Platform
The road has been maintained in good condition during the

The road has been maintained in good condition during the year, all necessary repairs and renewals having been made to keep it up to the requirements of a heavy and rapidly increasing traffic. This increase has caused a corresponding demand upon the rolling-stock, which has been kept in as good condition as possible under the circumstances. The increased traffic has also required a large amount of new work, extensive

additions and alterations to buildings, and repairs to bridges along the whole line, but more particularly on the Southern Division.

New passenger depots have been constructed at Lathrop, Mojave, Colton, San Pedro and other points; round-houses at Los Angeles and Colton: the shops at Los Angeles have been rebuilt, and extensive additions have been made to the depot and other structures.

### OPERATIONS BY DIVISIONS.

No report has been made by the General Manager of the operations of the Southern Division separate from that covering all the lines leased to the Southern Pacific Company embraced in the Pacific System.

The report of the Superintendent of the Northern Division gives detailed information regarding the operations of that important line of our road and the improvements which have been made thereon.

During the year a further portion of the Southern Pacific Branch Railway (mentioned in our last annual report) has been constructed, and the whole of the completed line of that road—about 104 miles—has been operated by the Southern Pacific Company.

The several lines leased to our company running from both Northern and Southern Divisions have proved valuable feeders thereto. The general terms upon which the Southern Pacific Company assumes these leases provides that it shall pay all taxes and operating expenses, together with the interest on their bonded debt, if any there be, and if there be no debt then a fixed rental in lieu thereof; so that these lines do not in any manner become a charge upon our company.

### LAND GRANT.

The transactions of the Land Department exceed those of any previous year, the sales amounting to nearly two million dollars.

The large amount of sales that have been made for cash indicates that the purchases have not been made entirely on

speculation, or by persons of limited means, and confirms the prediction that a large part of the people who have arrived among us during the past year would be possessed of capital and would come with the intention of remaining in our State.

The report of the Land Agent shows the amount of cash receipts from sales of land to be \$1,180,308.44, which will be applied to the redemption of the company's First Mortgage bonds.

You are referred to the Land Agent's report for further information concerning the lands of the company.

### FUNDED DEBT.

No bonds have been issued during the year. Bonds have been redeemed by the Trustees from the proceeds of land sales to the amount of \$871,500, leaving the balance of bonds outstanding on December 31st, \$32,431,500.

A detailed statement of this debt will be found in the Secretary's report, and an account of the transactions for the year appears in the report of the Trustees.

### SINKING FUND.

By the terms of the mortgage of April 1, 1875, it was provided that a Sinking Fund should be created for the redemption and payment of the First Mortgage Bonds, by setting apart annually the sum of \$100,000 of the net income of the road, commencing with the year 1882, "to be loaned out at "interest upon good securities, or otherwise invested under "the order and direction of the Board of Directors," or used to redeem the company's bonds, "at a price not exceeding their par value."

The stated amount has been annually placed to the credit of this fund and the other requirements of the mortgage have been complied with. In applying this fund, the Board of Directors have given their preference to the retirement of the company's bonds, and so long as the bonds could be secured at par or less, they applied the fund to such redemptions. When they could no longer purchase bonds at this limit, they were called upon by the terms of the mortgage to either loan or invest the fund, which last course was decided upon — the bonds of the company or of one of its allies having the preference.

A full statement of this fund, to December 31st, appears in the Secretary's report.

All that has been said in earlier reports regarding the promising future of our State, is being fully realized:—the rapidly increasing population, brought hither by reason of the numerous well-known advantages that California possesses, is causing a permanent development of its industries and resources, to its general benefit, and necessarily to that of the many lines of railroad within its borders.

The reports of departments referred to as furnishing further information in reference to the company's affairs are:

Report of the Secretary.

Report of the Superintendent of Northern Division.

Report of the Land Agent.

Report of the Trustees of Mortgage.

Respectfully submitted,

CHARLES CROCKER,

President.

### SECRETARY'S OFFICE.

SAN FRANCISCO, April 19, 1888.

CHARLES CROCKER, Esq.,

### President,—

SIR: I herewith hand you statements showing the financial condition of the Company on December 31st, 1887, and its operations for the year ending the same date, as follows:—

- No. 1. GENERAL BALANCE SHEET.
- No. 2. GENERAL INCOME ACCOUNT.
- No. 3. Funded Debt.
- No. 4. SINKING FUND.
- No. 5. EARNINGS AND OPERATING EXPENSES, NORTHERN AND SOUTHERN DIVISIONS.
- No. 6. GROSS EARNINGS NORTHERN DIVISION, BY MONTHS.
- No. 7. OPERATING EXPENSES, NORTHERN DIVISION, BY MONTHS.
- No. 8. EARNINGS AND OPERATING EXPENSES NORTHERN DIVISION, BY YEARS.
- No. 9. Earnings and Expenses, including Leased Lines (or Branches) for 1886,—as Operated by Southern Pacific Company.
- No. 10. EARNINGS AND EXPENSES, INCLUDING LEASED LINES
  (OR BRANCHES) FOR 1887,—AS OPERATED BY
  SOUTHERN PACIFIC COMPANY.
- No. 11. CHARACTER AND COST OF ADDITIONS AND BET-TERMENTS.

### Respectfully submitted,

J. L. WILLCUTT,

Secretary.

NOTE.—Statements Nos. 5 to 11 inclusive were furnished by Southern Pacific Company.



To Construction . \$78,530,055 99  Real Estate		
Tools in Shops	, December 31st, 1887.	نې
Income used for Sinking Fund Investment ment Income from land sales—notes uncollected Income balance Income Balance Income Bal	First Mortgage Bonds.  Land Trust Fund (Mills & Lansing, Trustees).  † Taxes in. Suspense.  Southern Pacific Company—improvements.  Accounts due to sundry parties.  Accounts due to sundry parties.  Come Accounts:  Income used for redemption of bonds. \$5,050,500 00  Income used for Sinking Fund Investment  ment	\$45,994,800 00 32,4431,500 00 526,639 52 62,766 36 370 00 634,006 88 29,114,30 \$79,709,197 26
\$88,039,431 13		\$88,039,431 13

J. L. WILLCUTT, Secretary.

† Reserve for payment of Taxes in Litigation.

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General Income Acc	ount for Ye	General Income Account for Year Ending December 31, 1887.	ප් <u>.</u>
To Income from Land Sales and Farnings used in Redemption of Bonds, transferred to credit of account "1st Mortgage Bonds Redeemed".	\$4,179,000 00	By Balance January 1st, 1887	\$4,198,293,73 78,806.27
Income from Earnings used in Purchase of Bonds for Investment	98,100 00		
	\$4,277,100 00		\$1,277,100 00
To Balance brought down January 1, 1887	\$ 78,806 27	Net Profits under lease to S. P. Co.	\$120,084 42
General Expense	\$7,590 76	Balance	146,441 76
Legal Expense	1,420 35		
Taxes	3,991 23		
Land Department Expense	74,717 57		
Annual Payment to Sinking Fund	100,000 00		
	\$266,526 18		\$266.626 18
To Balance January 1, 1888.	\$146,441 76		

# e.

Statement of Funded Debt, December 31st, 1887.

		. \$220,000				718,000	817.000		\$ 5,050,500
	REMARKS.	Oct. 1 and April 1 Amount redeemed in 1877 \$220,000	1878.	3	: :	:		1887	Total amount redeemed . \$ 5,050,500
INTEREST 6 %.	When Payable.	Oct. 1 and April 1	April 1 and Oct. 1	April 1 and Oct. 1	April 1 and Oct. 1	\$412,000 Oct. 1 and April 1	Oct. 1 and April 1		
REDEEMED.	From Sink- ing Fund.			:		\$412,000			\$412,000
REDE	From Land Sales	\$1,042,500	121,000	429,000	572,000	975,000	1,499,000		\$4,638,500
ISSUED.	Amount. From From Sink-	"A" Apr. 1, 1875 Apr. 1, 1905 \$15,000,000 17,000 \$15,000,000 \$1,042,500	2,000,000	2,000,000	2,000,000	2,000,000	2,482,000		\$37,482,000 \$4,638,500
H	No. of Bonds.	17,000	2,000	5,000	2,000	2,000	2,482		
dos.	When Due. Authorized. Bonds.	\$15,000,000	5,000,000	2,000,000	5,000,000	5,000,000	5,000,000	,	
First Mortgage Bonds.	When Due.	Apr. 1, 1905	Oct. 1, 1905	9061 '1 ",	9061,1 " 1876 " 1,1906	Apr. 1, 1912	1, 1912		
FIRST MO	Date.	Apr. 1, 1875	"B" Oct. 1, 1875 Oct. 1, 1905	"C" " 1,1876 " 1,1906	1, 1876	"E" Apr. 1, 1882 Apr. 1, 1912	1, 1882 " 1, 1912		
	Series.	"A"	"B"	ຸດ,	"D"	"E	" F		

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### SOUTHERN PACIFIC RAILROAD CO.

### No. 4.

### Statement of Sinking Fund Account.

-	First Payment into Fund	\$100,000 00
1883. December 31	Interest on above	6,000 00
December 31	Annual Payment into Fund	100,000 00
		\$206,000 00
1884. January 31	Redemption of Bonds, \$206,000 @ 99½	204,970 00
	Balance on hand	\$1,030 00
November II	Annual Payment into Fund	100,000 00
		\$101,030 00
December 19	Redemption of Bonds, \$107,000 @ 94	100,580 00
	Balance on hand	\$450 00
1885. November 10	Annual Payment into Fund	100,000 00
		\$100,450 00
December 30	Redemption of Bonds, \$99,000 at par and interest	100,450 00
1886.		
November 10	Annual Payment into Fund	\$100,000 00
December 29	Investment in S. P. R. R. Co. Bonds, \$90,000 @ 109	98,100 00
1887.	Balance on hand	\$1,900 00
- •	Interest from above investment	1,350 00
October 15	Interest from above investment	2,700 00
November 17	Annual Payment into Fund	100,000 00
December 30	Proceeds of Sale of \$90,000 S. P. R. R. Bonds at 109 and interest	\$99,450 00
		\$205,400 00
December 31	Investment in S. P. Branch Ry. Co. Bonds, \$202,000 at par and interest	\$205,030 00
	Balance January 1, 1888	\$370 00

### No. 5.

# Statement of Earnings and Operating Expenses, Northern and Southern Divisions, for Year Ending December 31, 1887.

	NORTHER	N DIVISION.	SOUTHER	N DIVISION
Earnings.				
Freight	\$880,942 19		\$2,639,849 48	
Passenger	757,147 29		1,410,307 73	
Express	20,434 01		51,502 15	,
	24,423 66		69,174 30	1
Mail	26,226 05		30,916 55	ł
Sleeping-Car	1		69 75	i
Telegraph	4,800 00		19,060 00	
Rental	11,435 91		9,322 09	1
Baggage			16,069 27	i
Mileage	1,006 72		3,702 01	
Storage	829 02	ļ		
Total Earnings		\$1,727,244 85		\$4,249,973 33
OPERATING EXPENSES.				
Expense of Superintendents .	\$ 7,204 82		\$ 25,932 97	İ
Station Service	132,773 53	1	190,009 20	
Telegraph "		1	38,261 86	i
Train "	114,454 73		269,259 28	1
Sleeping Car "		1	186 56	İ
Wharf "	6,682 90	1 !	2,235 41	
Water "	214,306 46	1	1,073,836 69	i
Water "	10,670 45		30,950 49	
			144 67	!
Repairs of Track	179,777 98	l i	607,293 58	f
" Bridges	29,099 76	l i	47,087 32 32,571 89	ì
Bunungs	16,260 69		32,571 89	
Eugines	35,833 80	1	168,161 19	1
Cais	85,822 92		152,572 17	
Machinery & 100is			21,114 86	
Office Expense	27,534 54		66,442 17	1
Legal Expense	13,297 36		30,979 87	1
Miscellaneous Expense	14,685 61	j j	20,112 59	
			60,526 70	1
Mail Expense	1,058 04	1	10011 80	
Advertising	4,360 60		10,011 80	1
Advertising	9,472 93		7,282 33	1
Damage—Persons & Property	488 92	ļ ļ	9,745 74	i
Insurance and Loss by Fire.			20,647 24	i
Mileage	2,130 57 434 60		14,989 71	1
Engineering	<sup>2</sup> 39 43		4,208 57	
Total Operating Expenses .		944,800 92		3,061,044 62
Earnings over Operating Ex-				:
penses		\$782,443 93	1	\$1,188,928 71
		7117-0 33	l	V-1.001320 //

# No.16.

Gross Earnings of the Northern Division by Months for the Year Ending December 31, 1887.

KIND.	January.	anuary. February March.	March.	April.	Мау.	June.	July.	August.	Sept.	October.	Nov.	Dec.	Total.
Freight	54,676 19	54,676 19 37,364 09 74,641 61 68,774 67	74,641 61	68,774 67	87,234 78	81,315 09	81,315 09 75,025 60		79,186 13	79,638 12 79,186 13 90,130 84	80,522 39	72,432 68	880,942 19
Passenger	49,928 03	49,928 03 40,635 91 61,070 70	61,070 70	58,774 80		68,286 18 74,627 44	80,468 48	80,468 48 81,050 60 66,713 66	66,713 66	65,551 58	55,056 89	54,983 02	757,147 29
Express	1,445 96	1,150 83	1,773 54	1,607 26	1,671 39	1,790 65	2,058 84	16 126,1	1,961 04	1,906,1	1,502 36	1,643 92	20,434 01
Mail	1,266 75	3,514 32	1,473 00	1,472 98	1,472 98	3,374 70	1,972 57	1,972 58	1,972 60	1,972 58	1,986 00	1,972 60	24,423 66
Miscellaneous	849 22	841 15	1,370 62	1,991 37	1,188 87	2,183 66	1,301 54	2,891 41	5,362 08	1,662 45	2,025 26	4,558 42	26,226 05
Telegraph	400 00	400 00	400 00	400 00	400 00	400 00	400 00	400 00	400 00	400 00	400 00	400 00	4,800 00
Rental	1,051 92	971 44	514 22	1,645 59	869 36	878 86	1,108 69	857 69	205 97	860 22	911 73	860 22	11,435 91
Mileage		2 21	:	11 87		:	:	35 89	370 69	141 71	71 762	147 18	1,006 72
Storage	4 8	11 06	16 87	42 57	12 64	14 81	92 91	202 21	168 09	151 85	63 32	83 85	829 02
Total Earnings	. 109,663 06 84,891 01 141,260 56 134,721 11 161,136 20 164,585 21 162,352,48 168,970 41 157,040 26 162,777 54 142,765 12 137,081 89	84,891 01	141,260 56	134,721 11	161,136 20	164,585 21	162,352,48	168,970 41	157,040 26	162,777 54	142,765 12	137,081 89	1,727,244 85

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# SOUTHERN PACIFIC RAILROAD CO.

Operating Expenses of the Northern Division by Months for the Year Ending December 31, 1887.

13,7,24 14,743 15,7,73 15,7,73 15,7,73 15,7,73 15,7,73 15,7,73 15,7,73 15,7,73 15,7,7 17,7 17,7 944,800 92 782,443 93 1,204 1,454 1,454 1,454 1,306 1,79,777 29,099 16,260 590 00 11,722 19 9,776 52 1,196 65 792 83 26 25 8 4 2 8 2,459 2,879 929 85,819 83,273 52 57,377 17 51,262 11.559 11.559 10.553 829 14.555 14.555 15.55 16.55 189 00 1,312 99 658 29 32 36 8888 8 Nov. 5,026 1,115 85,387 11. 635 9. 827 9. 82 288 October. 8 314 1,153 44 1,395 79,504 8 8.448 .88%% 17 Sept. 374 1,171 656 86,332 2,249 552 1,080 70,708 : 48° 2 2,165 03 1,386 93 117 98 92 84.65 જ August. 88,738 80,231 8 ī.8 0.00 32 9 82 458 375 July. 73,189 89,163 22 7.304 631 631 660 20 11,981 57 380 87 18,486 11 12,838 97 1,191 11 3,552 13 5,524 13 782 08 782 08 782 08 783 08 7 88388 8 8 48 31 186,11 ,372 17 79,790 84,794 28,48,2 8,5,5,7,8 R 88283 4 2883 550 9,766 9,766 17,772 13,593 3,240 5,440 5,440 3,993 3,993 8,903 88,865 136 1512 119 119 713 81 72,270 10,385 64 9,716 66 9,716 66 116,150 92 15,897 72 780 93 7,373 16 7,373 16 2,23 34 2,23 34 359 95 7,373 16 7,373 852 75,146 62 5 8 5% April. 59,574 343 16,536 26 17,176 81 17,176 81 17,176 81 17,176 81 17,176 80 17,176 80 17,176 228  $^{85}_{32}$ 525233 & 8 March. 83,098 3,214 693 67 58,161 13,754 23 13,641 15 1,679 09 2,806 34 8,806 34 543 94 2,274 50 2,81 36 62 34 February 609 58 9,858 34 8,174 99 2,672 71 965 10 67 50 828 61 82 69,822 15,068 15, 214 76 14,594 24 3,607 75 1,350 43 1,963 12 7,616 65 2,278 69 3,07 27 5,05 69 9,03 604 28 10,498 70 9,220 86 430 00 1,146 65 654 71 126 09 2,862 31 367 72 84 20 January. 8 8 35,455 Total Operating Expenses 74,208 Engines Cars Machin'y&Tools Water Insurance and Loss by Fire Earnings over Operating . . . . . . . . . SuperIntend't Office Expense . . . . . Stationery and Printing Bridges . . . Buildings . . Repairs of Track . . KIND Locomotive. Wharf

## No. 8.

Exhibit of Earnings and Operating Expenses of the Northern Division from October, 1870, to December, 1887.

(from October 1st, 1870.)	ī		Earnings	Per Cent of	CONTRACTOR	MILES OF NOAD.
;	rarnings.	Operating Expenses.	over Operating Expenses.	Operating Expenses to Earnings.	Average Operated.	Total at end of year.
Nine months ending June 30, 1871		\$222.427 06	\$207.670 44	.51715	90.10	8716
For year " 1872		376,278 11	347,577 90	.51982	103.12	111.15
1873	115,799	458,739 14	538,772 42	.45988	123.29	129.36
1874	I,068,223		604,548 78	\$6593	158.20	160.89
528I ", ",			901,031 02	58078	160.89	160.89
1876			732,509 73	46219	160.89	160.89
				45955	160.80	160.89
Six months ending Dec. 31, 1877	406,429			55785	160.89	160.89
	1,013,886			50740	160.80	160.80
:	880.327			20300	160.80	160.80
3881				26125	170.52	10,071
1881	1.158.014			1000	10.0	10,921
1882	1 257 300			18001	10.92	10.02
., ., ., ., .,	1.282.512			51272	107.51	107 51
1887	1,468,176			9899	202.21	202.21
1881	1 281 762			87923	200	202 21
3801	1,640,824		200118	800	226 65	288.71
1887 " "	1,727,244 85	944,800 92	782,443 93	66975	288.71	288.71

Note.-From March 1, 1885, operated by Southern Pacific Company.

J. L. WILLCUTT, Secretary.

### No. 9.

Statement of Earnings and Expenses, including Leased Lines (or Branches) as Operated by Southern Pacific Company, for the Year ending December 31, 1886.

	Southern Division.	Northern Division.	Total.
	553.36 miles.	Average 226.65 miles.	Average 780.01 miles.
Earnings.			
Freight. Passenger. Express. Mail. Miscellaneous	\$2,224,614 26 894,298 24 43,069 45 65,343 19 66,806 35	\$889,431 40 693,657 34 17,761 28 14,156 12 34,818 69	\$3,114,045 66 1,587,955 58 60,830 73 79,499 31 101,625 04
Total Earnings	\$3,294,131 49	\$1,649,824 83	\$4,943,956 32
OPERATING EXPENSES.			
Conducting Transportation	\$429,029 26 466,655 02 964,321 77 125,801 23 240,349 82	\$238,210 71 223,601 56 213,481 96 54,676 47 107,889 13	\$667,239 97 690,256 58 1,177,803 73 180,477 70 348,238 95
Total Operating Exp.	\$2,226,157 10	\$837,859 83	\$3,064,016 93
Per Cent of Earnings	67 58	50 78	61 98
Earnings over Operating Expenses	\$1,067,974 39	\$811,965 oo	\$1,879,939 39
RECEIPTS FROM RENTALS.			
Rent of Colorado Division " line, Los Angeles to Colton Interest on Improvements—line, Los An		. 69,000 00	505,377 54
Total	- <b></b>		\$2,385,316 93
PAYMENTS.			
Rentals Leased Lines: Colorado River Bridge Monterey Railroad Pajaro and Santa Cruz Railroad		20,400 00	
Wilmington Extension—March, 1885			\$ 94,907 08
Taxes	acific Railroad (	of California)	141,936 59
Total	ucine Ramoau (	or camoinia).	\$2,205,962 17
Net Surplus	· · · • · · · · · ·	· · · · · · • • •	
are burplus			\$179,354 76

J. L. WILLCUTT, Secretary.

### No. IO.

Statement of Earnings and Expenses, including Leased Lincs (or Branches) as Operated by Southern Pacific Company, for the Year ending December 31, 1887.

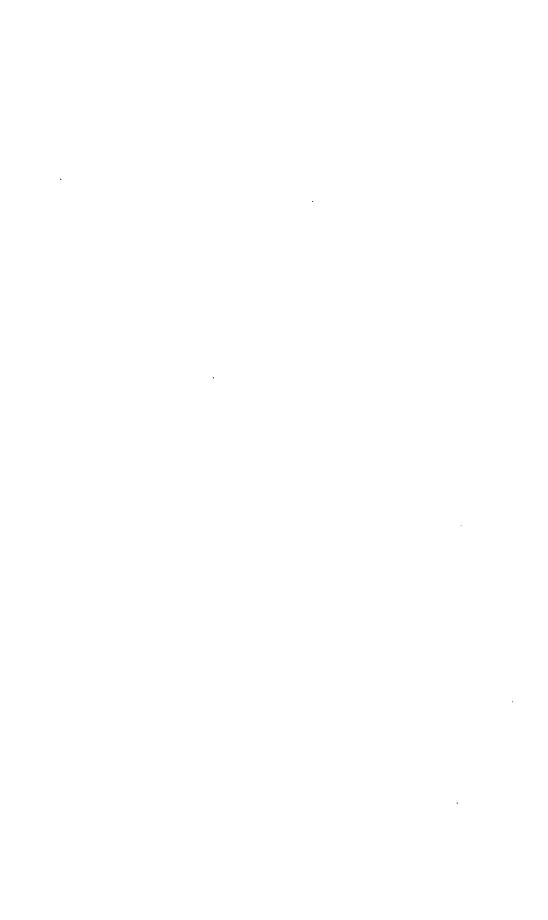
1			
	Southern Division.	Northern Division.	TOTAL.
	Average 606.88 miles.	Average 288.71 miles.	Average 895.59 miles.
Earnings.		!	
Freight Passenger Express Mail Miscellaneous	\$2,639,849 48 1,410,307 73 51,502 15 69,174 30 79,139 67	\$880,942 19 757,147 29 20,434 01 24,423 66 44,297 70	\$3,520,791 67 2,167,455 02 71,936 16 93,597 96 123,437 37
Total Earnings	\$4,249,973 33	\$1,727,244 85	\$5,977,218 18
OPERATING EXPENSES.	•		
Conducting Transportation Maintenance of Way Motive Power Maintenance of Cars General Expenses	\$ 691,871 97 729,646 01 1,272,948 37 152,572 17 214,006 10	\$261,642 10 240,961 78 260,810 71 85,822 92 95,563 41	\$ 953,514 07 970,607 79 1,533,759 08 238,395 09 309 569 51
Total Operating Expenses	\$3,061,044 62	\$944,800 92	\$4,005,845 54
Per Cent of Earnings	72 03	54 70	67 02
Earnings over Operating Expenses	\$1,188,928 71	\$782,443 93	\$1,971,372 64
RECEIPTS FROM RENTALS.			
Rent of Colorado Division	ngeles to Colton	. 69,000 00 1. 1,321 48	506,587 48 \$2,477,960 12
PAYMENTS.			
Rentals Leased Lines: Colorado River Bridge Monterey Railroad Pajaro and Santa Cruz Railroad	<b>.</b>	. 20,400 00	
San Jose and Almaden Railroad			\$ 70,200 00 153,427 89
S. P. R. R. (of California) S. P. Branch Railway			2,084,260 88
Total			\$2,307,888 77
Net Surplus		• • • • • • • • •	\$170,071 35

J. L. WILLCUTT, Secretary.

### No. 11.

Statement showing in detail the expenditures made for Betterments and Additions to the respective properties for the years 1885, 1886 and 1887.

					4
	ITEMS.				Amount.
Ash Pits					. \$ 1,094
Bridges			. <b></b>		. 42,011
Cattle Guards, etc	• • • • • • •				. 551 . 649
Coal Bulkheads, Bins, Chut	es and Sheds				. 969
encing					. 12,530
illing Mission Bay					. 33,360 . 164,864
Grading, etc.—Changing Li Dil Tank and Sand Houses	ine <b>.</b>			• • • • •	. 104,804
Pipe Lines	,		 		19,170
Right of Way and Station (	Grounds				86,505
ound Houses and Shops					20,487
ection Houses	• • • • • • •		· · • · ·	• • • • •	. 1,162 . 6,249
tation Buildings, etc.					. 101,523
tock Corrais, Chutes and I	Pens				. 2,380
undries					. 943
elegraph Lines rees					282 . 423
					. 125,741
rack Scales			<b>.</b>		. 579
restles, Culverts, etc			. <b>.</b>		4,256
urn-Tables					. 2,026
unnels					. 392 . 5,462
			<i>.</i>		2,729
Vharves					. 377
	CREDIT.				\$637,647
ne-half amount for purcha paid by California Sou epot Ground sold	uthern R. R				\$ 909
old Buildings sold Laterial sold	<i></i>			• • •	2,388 1,482
unk House burned	• • • • • • • •		· · · · ·		450
Iotel burned		<b>.</b>	· · · · ·		. 8,238
ce House Burned	· · · · · · · · ·				900
nop roots sold					. 101
					\$ 14.545
Total Construction			<b>.</b>		
			<b>.</b>	• • • •	
ir-Brake Attachments	Equipment — (	Cars.	· · · · •		\$623,102
ir-Brake Attachments entilators and lining and	EQUIPMENT — ( sides and ends	Cars.			\$623,102 \$ 1,960 3,525
ir-Brake Attachments entilators and lining and	EQUIPMENT — ( sides and ends -changed from	Cars.			\$623,102 \$ 1,960 3,525 2,976
ir-Brake Attachments entilators and lining and	EQUIPMENT — ( sides and ends -changed from	Cars.			\$623,102 \$ 1,960 3,525 2,976
ir-Brake Attachments entilators and lining and in Derrick Car and tools—wo new Pile-Driver Cars . ne Pay Car — changed from	EQUIPMENT—C sides and ends -changed from m C. P. Sleepe	Cars.			\$623,102 \$ 1,960 3,525 2,976 1,235 2,000
ir-Brake Attachments entilators and lining and in Derrick Car and tools—wo new Pile-Driver Cars . ne Pay Car — changed from	EQUIPMENT—C sides and ends -changed from m C. P. Sleepe	Cars.			\$623,102 \$ 1,960 3,525 2,976 1,235 2,000 690
ir-Brake Attachments entilators and lining and	sides and ends-changed from C. P. Sleepe	Cars.			\$623,102 \$1,960 3,525 2,976 1,235 2,000 690 \$12,387
ir-Brake Attachments . entilators and lining and . ne Derrick Car and tools— wo new Pile-Driver Cars . ne Pay Car — changed from ne Observation Car ne Baggage and Express	EQUIPMENT — ( sides and ends -changed from in C. P. Sleepe  CREDIT. Car sold	Cars.			\$623,102 \$ 1,960 3,525 2,976 1,235 2,000 690 \$ 12,387
ir-Brake Attachments entilators and lining and	EQUIPMENT — ( sides and ends –changed from m.C. P. Sleepe  CREDIT. Car sold	Cars.			\$623,102 \$ 1,960 3,525 2,976 1,235 2,000 690 \$ 12,387 \$ 500 550
ir-Brake Attachments entilators and lining and one Derrick Car and tools— wo new Pile-Driver Cars one Pay Car—changed from one Observation Car one Baggage and Express one Passenger Coach sold one Baggage Car sold	EQUIPMENT — ( sides and ends –changed from m C. P. Sleepe  CREDIT. Car sold.	Cars.			\$623,102 \$ 1,960 3,525 2,976 1,235 2,000 690 \$ 12,387 \$ 500 550
ir-Brake Attachments entilators and lining and one Derrick Car and tools— wo new Pile-Driver Cars one Pay Car—changed from one Observation Car one Baggage and Express one Passenger Coach sold one Baggage Car sold	EQUIPMENT — ( sides and ends –changed from m C. P. Sleepe  CREDIT. Car sold.	Cars.			\$623,102 \$ 1,960 3,525 2,976 1,235 2,000 690 \$ 12,387 \$ 500 550 450 1,800
ir-Brake Attachments entilators and lining and one Derrick Car and tools— wo new Pile-Driver Cars one Pay Car—changed from one Observation Car one Baggage and Express one Passenger Coach sold one Baggage Car sold	EQUIPMENT — ( sides and ends –changed from m C. P. Sleepe  CREDIT. Car sold.	Cars.			\$623,102 \$ 1,960 3,525 2,976 1,235 2,000 690 \$ 12,387 \$ 500 550 450 1,800
ir-Brake Attachments entilators and lining and one Derrick Car and tools— wo new Pile-Driver Cars one Pay Car—changed from one Observation Car one Baggage and Express one Passenger Coach sold one Baggage Car sold	EQUIPMENT — ( sides and ends -changed from m C. P. Sleepe  CREDIT. Car sold	Cars.			\$623,102 \$ 1,960 3,525 2,976 1,235 2,000 690 \$ 12,387 \$ 500 550 450 1,800 \$ 3,300
ir-Brake Attachments entilators and lining and ime Derrick Car and tools— wo new Pile-Driver Cars— ine Pay Car—changed from ine Observation Car— ine Baggage and Express ine Passenger Coach sold— ine Baggage Car sold— welve Logging Cars sold— Total Equiment—Car	EQUIPMENT — ( sides and ends -changed from m C. P. Sleepe  CREDIT. Car sold	Cars.			\$623,102 \$ 1,960 3.525 2,976 1,235 2,000 690 \$ 12,387 \$ 500 550 450 1,800
ir-Brake Attachments entilators and lining and ince Derrick Car and tools— wo new Pile-Driver Cars when Pay Car— changed from the Observation Car one Baggage and Express the Passenger Coach sold welve Logging Cars sold Total Equiment—Car Equi	EQUIPMENT — ( sides and ends -changed from m C. P. Sleepe  CREDIT. Car sold	Cars.			\$623,102 \$ 1,960 3.525 2,976 1,235 2,000 690 \$ 12,387 \$ 500 550 450 1,800 \$ 3,300 \$ 9,087
ir-Brake Attachments entilators and lining and ince Derrick Car and tools— wo new Pile-Driver Cars when Pay Car— changed from the Observation Car one Baggage and Express the Passenger Coach sold welve Logging Cars sold Total Equiment—Car Equir-Brake Attachments	EQUIPMENT — (sides and ends -changed from in C. P. Sleepe CREDIT. Car sold	Cars.			\$ 3,525 2,976 1,235 2,000 690 \$ 12,387 \$ 500 550 450 1,800 \$ 9,087
ir-Brake Attachments centilators and lining and one Derrick Car and tools— wo new Pile-Driver Cars— one Pay Car—changed fro one Observation Car  one Baggage and Express one Passenger Coach sold one Baggage Car sold welve Logging Cars sold Total Equiment—Car	EQUIPMENT — (sides and ends -changed from in C. P. Sleepe CREDIT. Car sold	Cars.			\$623,102 \$ 1,960 3.525 2,976 1,235 2,000 690 \$ 12,387 \$ 500 550 450 1,800 \$ 3,300 \$ 9,087



### REPORT OF THE SUPERINTENDENT.

### NORTHERN DIVISION.

San Francisco, March 31, 1888.

### Charles Crocker, Esq.,

President Southern Pacific R. R. Company,

SIR: I respectfully present to you the following report of the business of this Division for the year ending December 31, 1887:

### NORTHERN DIVISION LINES.

The number of miles of road operated during the year was 288.71, as follows:

Southern Pacific R. R. (of California)—north of Go.	shen. n	IILES.
San Francisco to Tres Pinos	100.49	
Carnadero to San Miguel	124.30	224.79
Southern Pacific Branch Railway.		
San Miguel to Templeton		14.80
Monterey Railroad.		
Castroville Junction to Monterey		15.12
Pajaro & Santa Cruz Railroad.		
Pajaro to Santa Cruz	21.20	
Aptos to Monte Vista	5.	26.20
San Jose & Almaden Railroad.		
Hillsdale to Almaden		7.80
Total mileage, Northern Division		288.71

1

### EARNINGS AND OPERATING EXPENSES.

The earnings, operating expenses, and earnings over operating expenses, of the lines above enumerated for the calendar year 1887, compared with the same for 1886, are as follows:

Northern Division.	1886.	1887.
Miles of road December 31	288.71 226.65	288.71 288.71
Gross Earnings Operating Expenses	\$1,649,824 83 837,859 83	\$1,727,244 85 944,800 92
Earnings over Operating Expenses	\$811,965 oo	<b>\$</b> 782,443 93
Percentage of Operating Expenses	50.78	54.70
		1

### TRAFFIC.

### Freight Traffic.

The tonnage movement over the Northern Division for 1887 as compared with 1885, was as follows:

	Pounds in 1886.	Pounds in 1887.
Grain	175,144,287	104,091,476
Lumber and other forest products	138,144,041	99,115,544
Brick, lime, stone, cement and sand.	59,091,505	112,085 966
Merchandise	119,566,471	126,196,108
Other commercial freights	314,409,807	355,451,062
Total Commercial freights	806,356,111	796,940,156
Company's freight	70,027,192	97,012,109
Total	876,383,303	893,952,265

During 1887 there were shipped from the Almaden line, (which was first opened for traffic November 16, 1886,) 6,000 tons of building stone and 3,200 tons of lime.

The wine shipments in 1886 were 450 tons; in 1887 3,500 tons. This was owing to the increased vineyard acreage coming

into bearing. From a like cause 6,000 tons of fruit were shipped during 1887, as against 4,000 in 1886.

### PASSENGER TRAFFIC.

The comparative movement of passengers over the Northern Division is as follows:

Number of passengers carried in the year 1886 . . 728,629 Number of passengers carried in the year 1887 . . 820,785

### ROADWAY, BUILDINGS, ETC.

During the year, 6.71 miles of main track between Castroville and Soledad were renewed with steel. In the repairs of track 17,152 ties were used. The buildings generally have been kept in good repair and extensive work has been done on bridges to better fit them for heavier traffic. These items were all charged in operating expenses.

There was also expended and charged to betterments and additions, on account of track and water supply, the sum of \$25,954.38. Included in this are charges for 35,639 feet of new sidings, less 1,500 feet taken up; and wells at Hillsdale and Greystone. Expenditures for betterments and additions to buildings, amounted to \$27,274.84. Included in this charge are: a new station building with bituminous rock platform and sidewalk at Valencia street, San Francisco; addition to Mission Bay Warehouse No. 3; large dining-room at Castroville; suitable station-house at Holy Cross Cemetery in San Mateo County; new telegraph lines—Gilroy to Carnadero, Castroville to Monterey, and Pajaro to Santa Cruz.

### MOTIVE POWER.

On December 31, 1886, there were 38 locomotives on this Division. During 1887 five were added as part of equipment of newly constructed road of the Southern Pacific Railroad (of California). These were as follows:

Nos. 112 and 166, cylinders  $18 \times 24$ , 6 drivers. Nos. 223, 224, 225, cylinders  $18 \times 24$ , 4 drivers.

Making a total of 43 locomotives on December 31, 1887.

[ 30 ]

A comparison of the miles of run and cost of maintenance of engines for the past two years is shown below:

423,931 224,328 260,413 908,672 1886. 28,835 69 98,821 42 3,333 58 11,065 33 23,118 21 11,213 60 918 30 07, 06 13	\$ 35,833 80 125,917 14 3.594 77 45,015 37 25,214 45 13,580 40 984 33 \$250,140 26
224,328 260,413 908,672 1886. 28,835 69 98,821 42 3,333 58 41,065 33 33,118 21 11,213 60 918 30 07, 06 13	\$ 35,833 80 125,917 14 3,594 77 45,015 37 25,214 45 13,580 40 984 33 \$250,140 26
260,413 908,672 1886. 28,835 69 98,821 42 3,333 58 41,065 33 13,118 21 11,213 60 918 30 97, 06 13	\$ 35,833 80 125,917 14 3.5594 77 45,015 37 25,214 45 13,580 40 984 33 \$250,140 26
1886. 28,835 69 98,821 42 3,333 58 11,065 33 23,118 21 11,213 60 918 30 97, 06 13	\$ 35,833 80 125,917 14 3.594 77 45,015 37 25,214 45 13,580 40 984 33 \$250,140 26
28,835 69 98,821 42 3,333 58 \$1,065 33 23,118 21 11,213 60 918 30 97, 06 13	\$ 35,833 80 125,917 14 3.594 77 45,015 37 25,214 45 13,580 40 984 33 \$250,140 26
98,821 42 3,333 58 11,065 33 23,118 21 11,213 60 918 30 07, 06 13	125,917 14 3,594 77 45,015 37 25,214 45 13,580 40 984 33 \$250,140 26
98,821 42 3,333 58 11,065 33 23,118 21 11,213 60 918 30 07, 06 13	125,917 14 3,594 77 45,015 37 25,214 45 13,580 40 984 33 \$250,140 26
98,821 42 3,333 58 11,065 33 23,118 21 11,213 60 918 30 07, 06 13	125,917 14 3,594 77 45,015 37 25,214 45 13,580 40 984 33 \$250,140 26
3,333 58 11,065 33 23,118 21 11,213 60 918 30 107, 06 13 1886.	3,594 77 45,015 37 25,214 45 13,580 40 984 33 \$250,140 26
11,065 33 13,118 21 11,213 60 918 30 07, 06 13	45,015 37 25,214 45 13,580 40 984 33 \$250,140 26
23,118 21 11,213 60 918 30 07, 06 13 1886.	25,214 45 13,580 40 984 33 \$250,140 26
11,213 60 918 30 97, 06 13 1886.	13,580 40 984 33 \$250,140 26
918 30 07, 06 13 1886.	984 33 \$250,140 26
1886.	\$250,140 26
1886.	
	1887.
16.422	
10./122	
	20,711
1,524	1,741
1,859	I,494
	35,117
	33,994
9,183	9,843
1886.	1887.
2.17	2.49
	3.48
•	12.23
	·44 6.82
•	
1.23	1.32
22.80	24.29
	30,424 28,231 9,183 1886. 3.17 10.87 .47 7.06 1.23

### CARS.

The number and kind of cars leased on December 31, 1887, are shown below:

Passenger Cars	76	Officers'	I
Parlor	I	Caboose	I 2
Combined Passenger and		Station	I
Baggage	2	Box Freight	374
Combined Baggage, Mail		Platform Freight	306
		Pile-driver	1
Smoking	3		

The above table does not include hand or push cars, which are classed as tools required for operation.

There were added to the equipment during the year one firstclass Barney & Smith passenger coach, three baggage and express cars, 4 long caboose cars, and 61 platform cars; all the above cars were required under the contract for construction of new road.

One parlor car was altered to an officers' car; the old officers' car was changed to a long caboose; and an emigrant car changed to a passenger coach. Coaches and cars have been kept in good repair.

### HOSPITAL SERVICE.

The Hospital service of this Division gives general satisfaction to our employees. In San Francisco they have the choice of either of two of the best public hospitals, with which arrangements are in force for the care of the sick or injured; and three of our best physicians give home attendance when necessary. At all other principal stations on our line a competent physician and surgeon attends to sick or injured employees, furnishing medicines free.

The following exhibit shows the condition of the Hospital Fund:

Balance in Hospital Fund January 1, 1887 Receipts during 1887	\$10,450 02 5,372 16
Total	
Disbursements, 1887	
Balance December 31, 1887	\$11,243 13

### GENERAL REMARKS.

Owing to the low market price, a large portion of last season's grain crop still remains in warehouses along the line of the road. The tonnage reports show a decrease in shipments of nearly 36,000 tons. Many thousands of acres of land have been sown in grain in excess of any previous year. Copious rains have fallen at auspicious intervals, and the crop prospects in the territory tributary to this line are, at the present writing, most promising. The large acreage of young trees and vines just coming into bearing, gives good promise of increased revenue from this most important industry in future years.

The stone quarries on the Almaden line promise a steadily increasing business in building-stone.

On the line constructed below Soledad in the fall of 1886, a steady increase in population is noticeable. The country is filling up rapidly with a good class of settlers. Travel was particularly good on that section during 1887, and freight traffic will undoubtedly be heavily increased in 1888.

The loss of the Hotel Del Monte by fire in April, did not fail to have its effect upon our Monterey passenger traffic, although owing to the natural growth in our passenger earnings, it is not apparent there. The hotel has been rebuilt, however, and it is expected that with its increased accommodations, its patronage in the future will exceed that of the past, thus adding materially to the business of the road.

A general reduction of passenger rates to three cents per mile maximum, went into effect September 1, 1887, and as far as can be judged from the time the new tariff has been in operation, the result has been beneficial.

There have been no accidents to trains during the year, and no interruptions to traffic whatever.

Respectfully yours,

A. C. BASSETT,
Superintendent Northern Division.

### LAND DEPARTMENT.

SAN FRANCISCO, CAL., May 15th, 1888.

To the President and Directors of the Southern Pacific Railroad Company:

GENTLEMEN:—I transmit to you herewith my annual statement showing the business of this Department for the year ending December 31st, 1887, and also a full exhibit from the commencement of sales (April 1st, 1875) to that date. From it you will see that the transactions last year were far greater than those of any previous year since the organization of this office—the sales of land amounting in the aggregate to 776,-997.85½ acres, for \$1,935,548.78—the total cash receipts being \$1,185,755.58.

This great demand for land was caused chiefly by the multitude of people who, during 1887, came to California, seeking places for settlement. It was also produced to some extent by purchases on speculation; for in view of the vast and wonderful resources of California yet in the infancy of development, there are few who cannot see that land investments must be very profitable as the State increases in population.

It is estimated, on the most reliable authority, that in 1887 fully 140,000 persons came to California, resulting in a permanent increase of 60,000 to the population. The immigration from Europe has been quite large, but the most noticeable feature has been the great influx from the Eastern States. The extreme severity of last winter, in that part of the country, has quickened the tide from east of the Rocky Mountains, so that it is now certain that the immigration of the present year will far exceed that of 1887; the present accommodations of all the railroads to California are deemed to be insufficient for the people desiring to come next winter; and all the railroad

companies are now busily engaged in securing further large supplies of rolling stock to prepare for and accommodate the overwhelming travel which is expected at that time.

No patents have been received by the Company since January 1885, three years ago. Twenty years have now elapsed since the approval of the Act granting lands to the Southern Pacific Railroad Company, Main Line, and seventeen years have passed since the approval of the Act granting lands to the Company's Branch Line. Both of them provided that patents shall be issued to the Company as fast as 20 consecutive miles of its road shall be completed. Notwithstanding the Company long since earned, by construction of its road, some 10,000,000 acres of land, and has repeatedly and importunately demanded that they be conveyed to it, patents have been received for only 1,228,456.46 acres.

The unjust and arbitrary action of the Interior Department in withholding from the Company the patents to which it is clearly and legally entitled, inflicts great loss upon it, as the best prices cannot be obtained for unpatented lands, many persons declining to buy them at all. But the most serious damage is that those who do purchase unpatented land generally refrain from settling upon and improving their tracts until after receipt of patent. The action of the Interior Department consigns to the pasturage of a few wandering herds, vast areas that would, if patents were issued as the law provides, be cultivated and improved; the consequence being that settlement is retarded, improvement of land discouraged, production hindered, and enormous increase in public commerce and in the traffic of the Company prevented, and a vast amount of taxes lost each year to the State.

Notwithstanding this very serious impediment to the material prosperity of a large territory, the development in other sections, within the Company's land grant and throughout the State generally during the past year, has been truly wonderful. The area of cultivated land has been largely extended, many thousands of acres, heretofore used for pasturage or grain, have been planted to trees and vines; new industries have been established, and a large proportion of the amount realized from the agricultural, mining and manufacturing industries of the

State has been employed in permanent improvement, and in still further developement of its resources. This, together with the investment of the capital that has found its way to this coast, by reason of the large immigration from the Eastern States of persons, composed largely of the intelligent, energetic and wealthier classes, who seek a more genial climate than can be found elsewhere, has made the past year in California one of unexampled prosperity.

Respectfully,

JEROME MADDEN,

Land Agent.

### [ 36 ]

### SOUTHERN PACIFIC RAILROAD CO.

### LAND DEPARTMENT.

Statement of Business for the year ending December 31st, 1887.

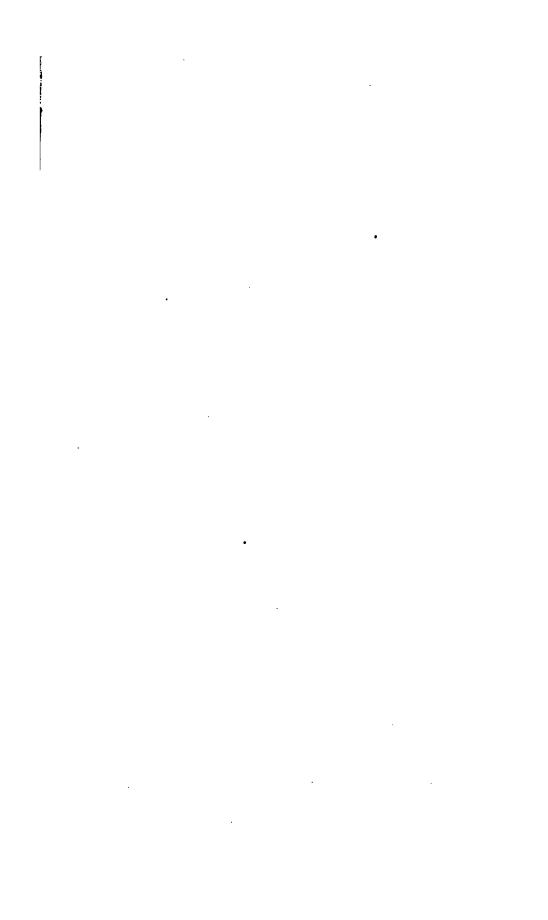
BALES.

<del></del>				
Number of Acres and How Sol	.D.	From Commence't of Sales (April 1, 1875) to Dec. 31, 1886, inclusive. Considerat'n.	From Jan. 1, 1887, to Dec. 31, 1887, inclusive.  Considerat'n.	Total.
Sold for cash in full (acres) 274,712.02 26,600.36½  Sales on credit (acres) 1,444,337.67	301,312.38½ 2,194,735.16	\$ 699,857 05 5,009,962 19	\$ 81,877 48 1,853,671 30	\$ 781,734 53 6,863,633 49
	2,496,047.541/2	\$5,709,819 24	\$1,935,548 78	\$7,645,368 02
RECAPITULATIO	ON OF SALE	•	e6,600.36½ for	\$ 81,877 48
Acres sold on credit	• • • • • • • •		50,397.49 "	1,853,671 30
Total			76,997.85½ "	\$1,935,548 78
Total acres sold to December 31, 1887, inclusive		,		\$7,645,368 02
From which deduct the acreage represented Contracts to December 31, 1887, said lands verted to the Company	by Canceled) having re->	73,622.72	amounting to	265,301 17
From which deduct the acreage represented Contracts to December 31, 1887, said lands verted to the Company	by Canceled having re-	73,622.72	_	
From which deduct the acreage represented Contracts to December 31, 1887, said lands verted to the Company	by Canceled having re-	73,622.72 2,422,424.82½ 3.04656.	_	265,301 17
From which deduct the acreage represented Contracts to December 31, 1887, said lands verted to the Company	by Canceled having re-	73,622.72 2,422,424.82½ 3.04656.	" From	265,301 17
From which deduct the acreage represented Contracts to December 31, 1887, said lands verted to the Company	ce per acre, \$  RECEIF	73,622.72  2,422,424.82½ 3.04656.  PTS.  From Commence't of Sales to Dec. 31, 1886.	From Jan. 1, 1887, to Dec. 31, 1887,	\$7,380,066 85  Total Receipts to Dec. 31, 1887. inclusive.  \$ 781,734 53 1,381,156 40 392,499 32 254,594 74 137,350 92 85,398 65 28,771 55 9,337 13 2,407 27 4425 25 129 96
From which deduct the acreage represented Contracts to December 31, 1887, said lands verted to the Company  Leaving Average pri  CASH  Full-paid Contracts on Cash Sales First payment on Time Contracts First year's interest on remainder due on Time Second " " " " " " " " " " " " " " " " " " "	ce per acre, \$  RECEIF  Contracts  """  """  """  """  """  ""  """  "	73,622.72  2,422,424.82½ 3.04656.  PTS.  From Commence't of Sales to Dec. 31, 1886. inclusive.  \$ 699.857 05 1,008.955 74 290.977 69 212,211 80 155.729 78 103.438 18 75,273 83 24,603 22 4,603 24 374 81 111 36	From Jan. 1, 1887, to Dec. 31, 1887, inclusive.  \$ 81,877 48 372,200 66 101,521 63 42,383 17,217 69 33,912 74 10,124 82 4,168 33 1,080 32 87 80 50 44 18 60	70tal Receipts to Dec. 31, 1887. inclusive.  \$ 781,734 53 1 381,156 40 392,499 32 254,594 97 192,947 47 137,350 92 85,398 65 28,737 55 9,337 13 2,407 27 425 25

## LAND DEPARTMENT.

Dr. Balai	Balance Sheet, December 31, 1887.	Ç.
To Total Sales of Land.  To Interest on Time Contracts.  To Leases of Land.  To Leanes of Land.  To Profit and Loss, 20% of purchase money on sundry contracts relinquished by purchases and returned to the Company for cancellation, the Comany retaining the amounts paid on said contracts.	\$7,380,066 85 By cash sales of Land 1,03,824 95 By first payment on Time Contracts 3,03,576 By first payment on Time Contracts 8,075 76 By fourth By fifth 37,334 82 By seventh By eighth By eighth By eighth	282 282 284 284 285 286 286 286 286 286 286 286 286 286 286
	By tenth By Remainder of purchase money on Time Contracts By Leases of Lands By Timber, Stumpage, Right of Way, etc	2.030,335 11 303,147 25 8,075 76
	Outstanding on account of Time Contracts	\$5,608,311 54 3,224,175 63
	\$8,832,487 17	\$8,832,487 17

JEROME MADDEN, Land Agent.



### REPORT OF TRUSTEES,

Under Mortgage of April 1, 1875.

SAN FRANCISCO, January 30th, 1888.

To the President and Board of Directors of the Southern Pacific Railroad Company:

We beg to submit the following report of transactions for the fiscal year of the Company ending December 31st, 1887, viz.:

Balance on hand, as per report of January 1st, 1887	. \$ 340,530.20
Amount received during the year ending December 31st, 1887	. 1,180,308.44
Total	. \$1,520,838.64
Out of this sum we have redeemed 866 bonds of \$1,000 each, and 11 bonds of \$500 each, amounting to \$871,500, at a cost of	. \$964,199.12
Leaving cash on hand, January 1st, 1888	. \$556,639.52

Advertisements to redeem bonds from the proceeds of land sales in accordance with the terms of the mortgage, were made during the year at eight different dates; amounting in all to the sum of \$1,000,000.00. The total amount paid for the principal of the bonds offered under these several advertisements, was, as shown above, \$964,199.12. The amount of accrued interest on these bonds, which was in addition to this last sum, amounted to \$12,738.38, and was paid by the Southern Pacific Company, lessee, under the terms of the lease, and therefore was not a charge to the trust fund.

Advertisement is now being made monthly for further redemption of bonds, at the rate of \$100,000 per month.

D. O. MILLS, GERRIT L. LANSING, Trustees.

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### DIRECTORS AND OFFICERS

## Southern Pacific Railroad Compan

(OF CALIFORNIA.)



### Directors, 1887-8.

CHARLES CROCKER, CHAS. F. CROCKER, TIMOTHY HOPKINS, CHAS. MAYNE, J. L. WILLCUTT.

W. V. HUNTINGTON,

NICHOLAS T. SMITH.

### Officers.

CHARLES CROCKER		1/4			- PRESIDENT.
CHAS. F. CROCKER .	0.			VI	CE-PRESIDENT.
N. T. SMITH	ŧ	X ==			TREASURER.
J. L. WILLCUTT					SECRETARY.

### SAN FRANCISCO, CAL.

LAND AGENT . . . JEROME MADDEN . . . San Francisco. ( CHIEF ENGINEER . WILLIAM HOOD . . . San Francisco, (

LELAND STANFORD, GENERAL AGENT, San Francisco.

C. P. HUNTINGTON, AGENT AND ATTORNEY . . New York, N.

### GENERAL OFFICES.

Fourth and Townsend Streets, - - San Francisco, Cal. 23 Broad Street (Mills' Building), - New York, N. Y.







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